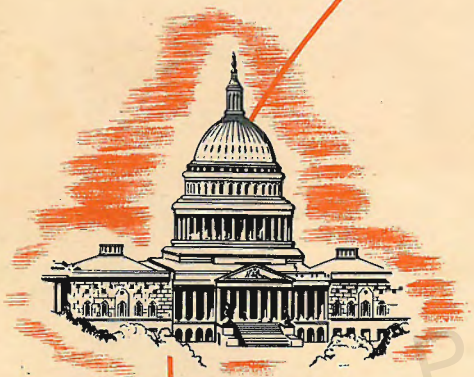
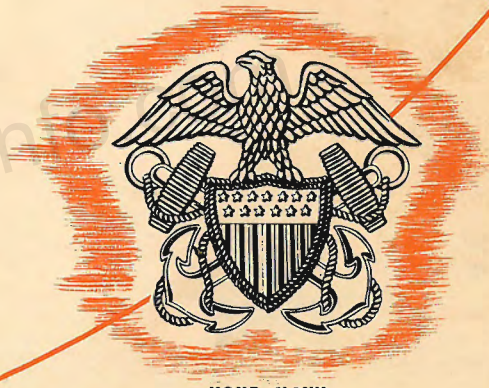
How Your Company Served

YOUR ARMY



YOUR GOVERNMENT



YOUR NAVY

PackardInfo

PACKARD

MOTOR CAR COMPANY

Forty-First Annual Report

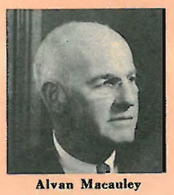
YEAR ENDING DEC. 31, 1944

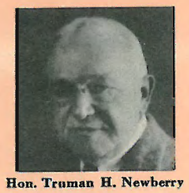
TO BE SUBMITTED TO STOCKHOLDERS AT THE ANNUAL MEETING IN DETROIT, APRIL 16, 1945

Meet the Management of
PACKARD MOTOR CAR COMPANY

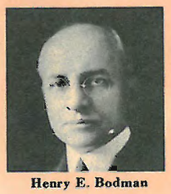
A Michigan Corporation

THE BOARD OF DIRECTORS

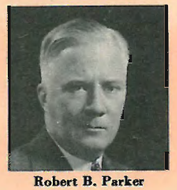

Alvan Macauley


Hon. Truman H. Newberry

James T. McMillan


Henry E. Bodman

Geo. T. Christopher


Robert B. Parker

Joseph M. Dodge

THE OFFICERS

ALVAN MACAULEY
Chairman of the Board

GEO. T. CHRISTOPHER
President and General Manager

JAMES H. MARKS
Executive Vice-President

HENRY E. BODMAN
Vice-President and General Counsel

J. G. VINCENT
Vice-President of Engineering

HUGH J. FERRY
Secretary and Treasurer

EUGENE C. HOELZLE
Comptroller

MILTON TIBBETTS
Vice-President and Patent Counsel

W. B. HOGE
Assistant Comptroller

A. G. DENISON
Assistant Secretary and Assistant Treasurer

ACTIVE SUBSIDIARY COMPANIES

Packard Motor Car Company of New York
Packard Motor Car Company of Texas
Packard Motor Car Company of Canada, Limited
Packard Motors Export Corporation
Packard Motor Car Company of Chicago
Atlanta Packard Motors, Inc.
Packard Motor Sales Company
Packard Limited, London, England

TRANSFER OFFICES

Packard Motor Car Company, Detroit, Michigan
Guaranty Trust Company of New York, New York City

REGISTRARS OF STOCK

Detroit Trust Company, Detroit, Michigan
City Bank Farmers Trust Company, New York City

AUDITORS

Price, Waterhouse & Co.

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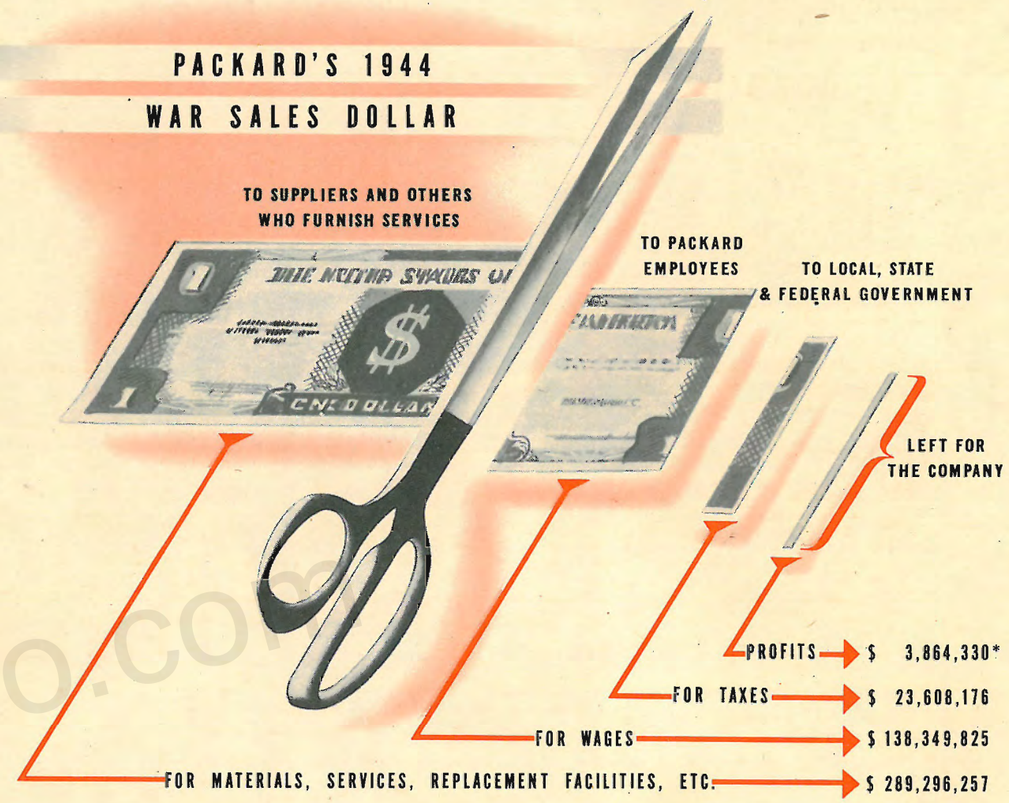
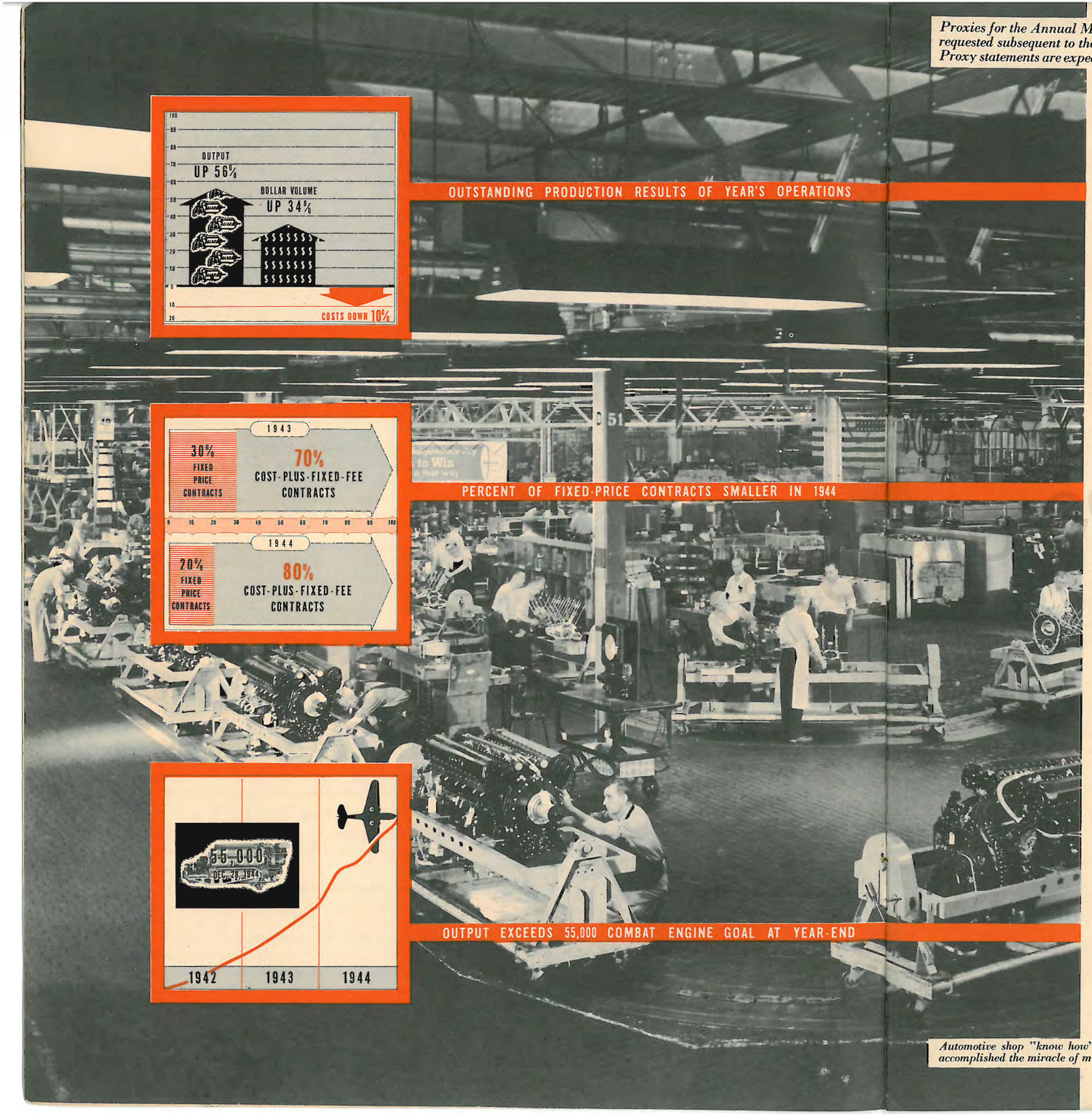
PACKARD'S 1944 WAR SALES DOLLAR



**Exclusive of Branch and Subsidiary Net Profits.*

A 5-YEAR COMPARATIVE SUMMARY OF PACKARD OPERATIONS

	1944	1943	1942	1941	1940
Net Factory Sales, Billings and Other Income	$455,692,753	$341,261,650	$222,984,715	$101,884,699	$69,419,751
Ratio of War Work to Total Business	99%	98%	96%	30%	5%
Factory Wages and Salaries	$138,349,825	$115,933,138	$78,397,311	$33,817,918	$20,661,972
Total Taxes	$24,081,000	$24,998,850	$14,897,280	$6,904,250	$4,440,152
Taxes per Share of Common Stock	$1.61	$1.67	$0.99	$0.46	$0.30
For Contingencies and Post War Adjustments	$1,000,000	$1,000,000	$2,000,000	—	—
Consolidated Earnings	$4,117,910	$4,754,587	$4,726,237	$2,061,323	$774,147
Earnings per Share of Common Stock	$0.27	$0.32	$0.31	$0.14	$0.05
Dividends Paid	$1,499,134	$1,499,134	$1,499,134	$1,499,134	—
Balance to Surplus	$2,618,776	$3,255,453	$3,227,103	$562,189	$774,147
Net Working Capital	$35,555,306	$32,754,212	$28,137,486	$19,674,416	$18,603,605
Number of Stockholders at the Year-End	111,012	114,256	115,717	116,574	117,975
Factory Employees at the Year-End	33,085	35,948	25,560	17,350	12,041



Automotive shop "know how" expressed by such practices as this assembly conveyor-line system, has accomplished the miracle of mass-producing the high precision Rolls-Royce engine, formerly built by hand.

Proxies for the Annual Meeting to be held April 16, 1945 will be requested subsequent to the mailing of this report to stockholders. Proxy statements are expected to be sent on or about April 2, 1945.

To the Stockholders of Packard Motor Car Company:

During 1944 your Company attained maximum scheduled production of Packard PT-boat marine engines and Packard-built Rolls-Royce aircraft engines. Unit output of engines was 56% higher and dollar volume 34% greater than previous records established in 1943. Unit costs were reduced about 10% to the Government while improved quality and performance of product were accomplished.

Financial Summary

Item	1944	1943	Increase or Decrease
Net Sales, Billings & Other Income	$455,692,753	$341,261,650	$114,431,103
Operating Costs & Expenses	431,974,843	316,007,063	115,967,780
Profit Before Federal Income Taxes	23,717,910	25,254,587	1,536,677
Federal Income Taxes	19,600,000	20,500,000	900,000
Consolidated Earnings	$ 4,117,910	$ 4,754,587	$ 636,677
Per Share of Common Stock	$0.275	$0.317	$0.042

Our volume of business in 1944 was considerably higher ($114,431,103) than it was in 1943. Profit before Federal Income Taxes was $1,536,677 less than in 1943, due principally to closer pricing of fixed-price contracts, reduced percentage on our cost-plus-fixed-fee contracts, and a reduced ratio in volume of fixed-price contracts to cost-plus-fixed-fee contracts. The ratio of fixed-price contract volume to cost-plus-fixed-fee volume was 40% for 1943 and 24% for 1944. It is Government policy to permit higher earnings on fixed-price contracts than on cost-plus-fixed-fee contracts to compensate for the business risk involved in fixed-price operations. The investment necessary to convert our cost-plus-fixed-fee contracts to fixed-price contracts, in comparison to possible increased net earnings after taxes, does not justify the risk at this time.

The General Accounting Office of the United States has been for a long time and is now engaged in auditing expenditures made by the Company under its cost-plus-fixed-fee contracts, for which the Company has already been reimbursed by the Government. A large part (approximately 80%) of the business of the Company consists of work done under these cost-plus-fixed-fee Government contracts. It is impossible to forecast at the present time the outcome of this audit, but it may result in the disallowance of a very substantial amount of the costs incurred in connection with these contracts.

It is the position of the Company that payments heretofore made to it by the Government have been properly made, and the Company of course will contest any important disallowance of such items. In addition, your Directors and the Management believe that reasonable reserves have been set up on the books to provide for any loss ultimately arising because of such disallowances.

Renegotiation of 1943 war business resulted in a refund to the United States Government of $5,000,000, which was charged to reserves provided during that year (1943). A reserve for renegotiation for 1944 has been made on substantially the same basis as the settlement for the year 1943.

Dividend Action

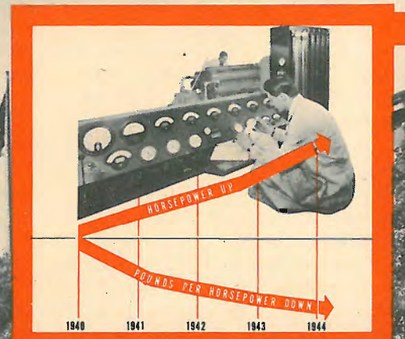
A dividend of $1,500,000, or 10 cents a share, was paid April 1, 1944, to stockholders of record February 19, 1944. Also, a dividend of 15 cents a share has been declared payable April 2, 1945, to stockholders of record February 17, 1945.

Review of Operations

War demands regulate our output. Varying conditions reduced our production during the last half of the year after we had reached peak schedules on both of our engines. By the end of the year we had completed more than 55,000 combat engines since beginning production, representing a total of 84,356,900 horsepower. We ended the year with $700,000,000 of unfilled war orders on our books.

It is our opinion that we have closed the year representing our largest war volume. We do not have the plant capacity to economically produce at the volume attained in 1944. It was acquired by excessively long hours and much overtime, justified only by immediate war demands.

ENGINEERING PERSONNEL INCREASED FOR VITAL RESEARCH



DESIGN IMPROVEMENTS BETTER MARINE ENGINE PERFORMANCE

EMPLOYEE RESPONSE TO OUR COUNTRY'S MILITARY NEEDS

Engineering Planning and Development

During 1944, your Company definitely increased its volume of engineering work on both marine and aircraft engines.

In carrying out an aircraft engineering program agreed to with the Army Air Forces, we have expanded our Toledo plant both as to engineering personnel and facilities. To complete flight-testing facilities, a flight hangar, work shop, and instrument-test laboratory have been approved for construction at the Willow Run Army Air Base. Agreement to use the Willow Run Airport runways for test work has been obtained. With a hangar of sufficient size to accommodate the largest bomber now being constructed, future test work can be done on any aircraft manufactured.

More models of our present type Packard-built Rolls-Royce engines were designed, tested, and approved for production than in any period since beginning this work.

By request, we have been engaged on motive power projects other than the reciprocating engines. This field has interesting possibilities for the future beyond the aircraft industry.

In connection with marine engineering, we have improved our standard PT-engine. We have completed experimental designs, and tested higher output models of our present sized PT-engine. Acceptance field tests have been completed by the Navy on these higher rated engines.

We have completed design and experimental tests on a six-cylinder, 400-horsepower engine of similar construction for marine installation or heavy-duty truck application.

Product Applications and Performance

Daily war dispatches regarding the activities of PT-boats, long-range Mustang fighter planes, Mosquito twin-engined fighter-bombers, and Lancaster heavy bombers are proof of your Company's direct contributions to winning the war, as these effective instruments of war are powered by the engines produced by Packard. The performance of this equipment under the control of the superior personnel of the Allied Air Forces and Allied Navies is a tribute to the engineering, production, and field services behind these engines.

Space does not permit recording of details, but it can be stated that during the year 1944 our equipment took an effective part in all major events in the war activities.

Employee Activities

Due to the length of our war production, the job of keeping worker interest and morale stimulated is an important item.

Introducing the new employee to his job, and supplying him with information as to regulations and safety, the importance of his individual operation, and general participation in all activities of agencies supporting the war effort, have been successfully carried on by the organization.

Pamphlets explaining basic time-study principles, shop rules and penalties for violations, safety committee reports and records have been used with our employees to good effect.

The "Work to Win" Committee, our designation for the Management-Labor Committee, have carried out a successful program on "Share the Ride," gas and tire rationing, blood bank support given mobile Red Cross Units (8,869 pints of blood donated), suggestion system (our employees received the highest number of awards given to any one company by the War Production Board), bond sales to employees ($34,022,975 maturity value at the year-end), and veteran employment (1,119 veterans re-employed, only. 258 being former Packard employees), representing a necessary job well done.

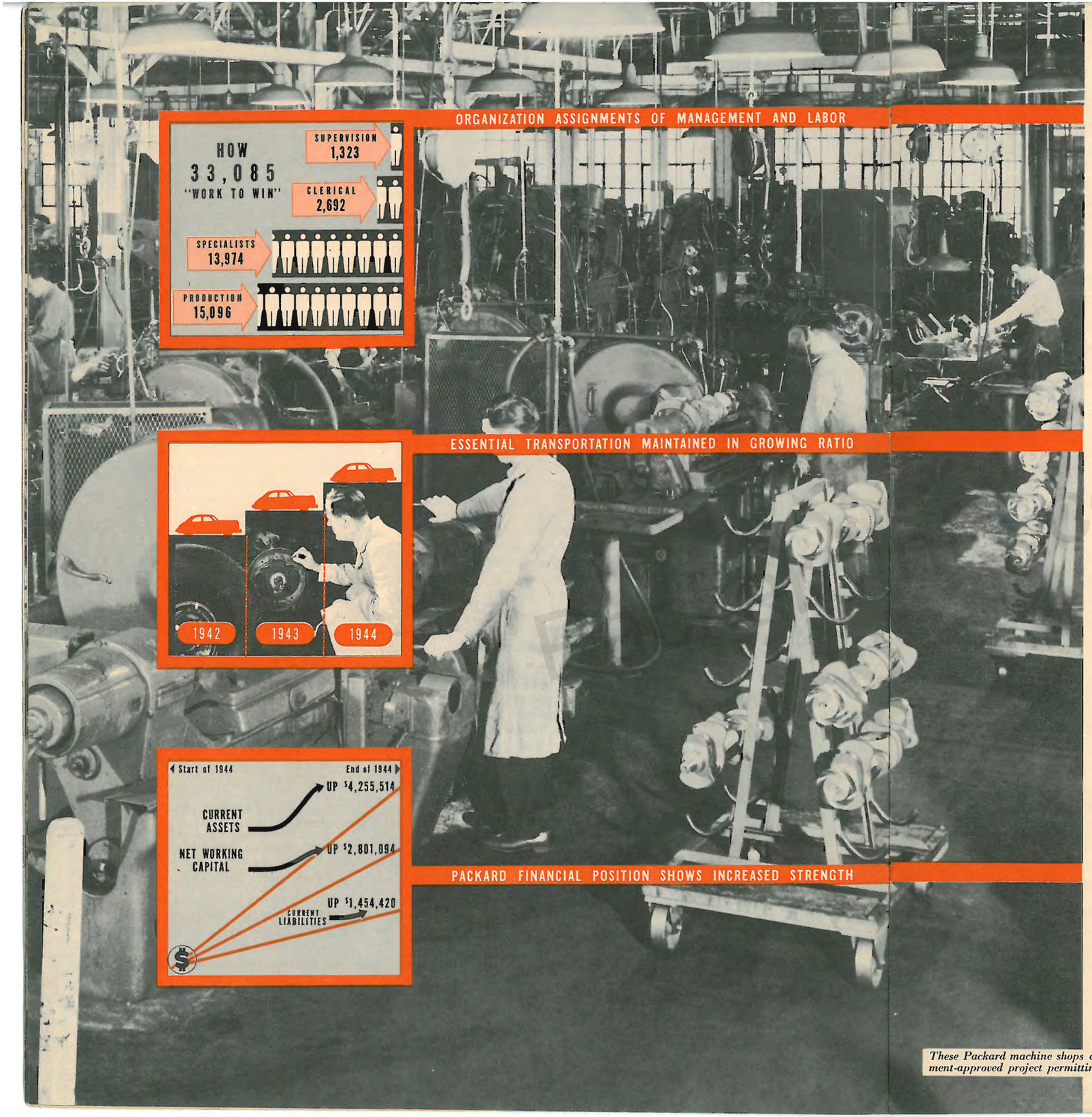
Organization Planning and Training

One great asset of your Company not visible on the Balance Sheet is its thousands of intelligent, efficient, and loyal employees. Continued improvement of our equipment, plant, and facilities is important, but the efficient use of these essentials depends upon our ability as an organization.

Realizing this fundamental fact, much time and money has been spent in studying, evaluating, and training our employees. It is our desire to place those with ability on assignments where capability, adaptability, and merit permit them to make progress and better serve our organization. We decided to employ a qualified consulting group to assist in this work, and the results have been encouraging in accomplishments with both workmen and supervision.

Agreement with Union representatives on the methods of establishing standard time study in our operations was arrived at, and this work has been successfully launched. The training period is completed and the work is proceeding daily. This movement can have a direct bearing on our post-war operating results.

This latest Packard plant purchase—a modern Detroit building of 110,000 square feet area—lets the parent plant "free-up" valuable space to facilitate pre-reconversion and produce vitally needed car parts.



These Packard machine shops are now making essential replacement parts for cars, under a $975,000 government-approved project permitting plant re-arrangements to accommodate certain automotive production lines.

Supervision has been counseled with and lecture courses have been given on all phases of elements contributing to co-ordination and co-operation of the organization, not only between supervision but also between their employees.

Selection of a sizable group of employees from our organization for training, for future assignment to our sales organization, has produced a very satisfactory result. The quality and ability of this group as shown in training assures mutual success in future assignments.

Motor Car Activities

The keystone of our postwar activities must be automobiles from the standpoints of both organization experience and physical equipment. Our goal since Pearl Harbor has been to "Work to Win" the war projects we were qualified to undertake. Producing in dollar volume for the year 1944 four times as much as in any peacetime similar period, fulfills that responsibility.

To carry out our responsibility in defense of our country in wartime and neglect planning for its economic defense in peacetime, would be a serious breach of duty as a leader of the free enterprise system of the American way of life.

The maintenance of essential cars in operation and immediate postwar employment have determined our efforts respecting all automotive activities. We have no new postwar car designed for production. We were building a good car when stopped by the necessities of war, and we will go into postwar production with the same car improved where service experience has provided the opportunity of betterment, incorporating these changes only when thoroughly tested.

We have studied service both from the standpoint of making it available through keeping dealers in business and from the merchandising and economy angle. This is necessary from a war-effort-supporting viewpoint and as a postwar employment consideration.

Sales Department activities have been expanded to furnish assistance to dealers to keep them in business and to replace those who must discontinue business. During the last half of 1944 we completed 267 new dealer agreements under our liberalized dealer contract. A new Dealer Advisory Committee has been formed and is functioning to mutual advantage. Your President, with the aid of the Sales Department, has held meetings nationwide and personally talked to 85% of our dealer body. They are a vital factor in our future accomplishments, deserving much consideration, encouragement, and partnership treatment.

Advertising adapted to war years, with customers limited in number, dictates reduced expenditures. This policy, judged to be correct since Pearl Harbor, was continued during 1944.

The purpose of Packard advertising is to establish with the public an interest in doing business with a good substantial company. Principles of operation to produce accomplishments acceptable to employees and customers, uniformly administered, should benefit both in postwar operations.

Proof of constructive tie-ins with war conditions, when public morale is of the utmost importance, is the Merit Award given a Packard advertisement. It was selected by an unbiased jury of competent people as being one of the best 100 wartime advertisements published in 1944, and thus wins national recognition for our efforts. The selection being made over the hundreds of thousands of printed messages, emphasizes the value of the Award. In the automotive field, this honor was granted only to Packard.

In order to present our aims and viewpoints to the general public and to our own employees, we plan to pursue our past wartime advertising policies. It is our desire to continue to deserve meritorious recognition.

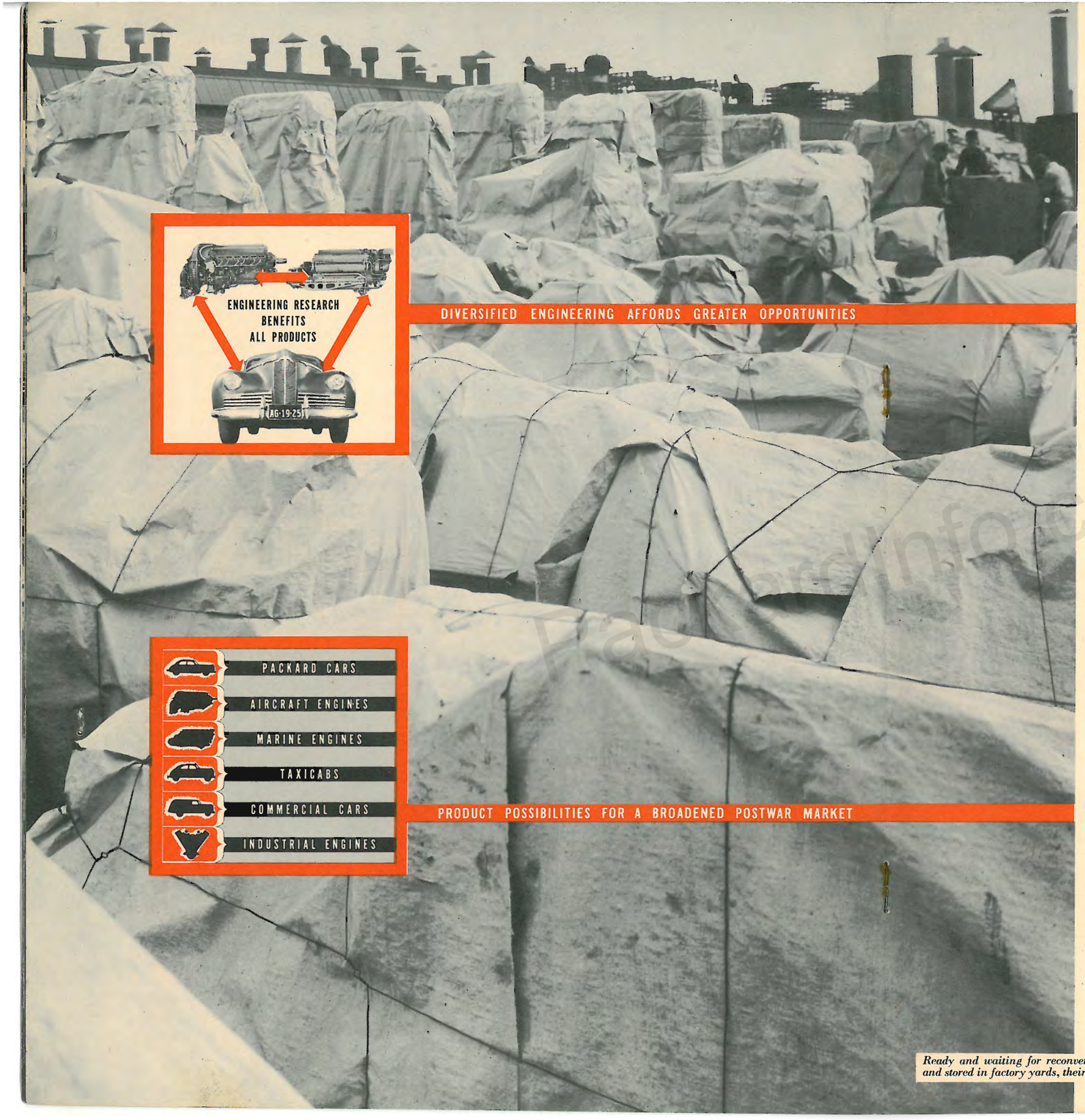
Financial Comments

Cash and marketable securities increased $11,028,601 during the year. Total current assets increased $4,255,514 and, in comparison, total current liabilities were only $1,454,420 more than at the end of 1943. Net working capital at the close of 1944 amounted to $35,555,306 or $2,801,094 more than a year ago.

Postwar refund of excess profits tax amounted to $2,000,000 as compared with $2,040,000 for 1943. A total of $4,624,350 (estimated) of such postwar excess profits tax refunds was carried as an asset at the close of 1944.

Additional provision for contingencies and postwar adjustments was made in the amount of $1,000,000 and our reserves for that purpose totaled $4,000,000 at the year-end.

Capital and surplus totaled $55,136,471 equivalent to a book value of $3.68 per share on the 15,000,000 shares of common stock outstanding. The net worth of the company at the previous year-end was $52,517,695 corresponding to a book value of $3.50 per share.



Ready and waiting for reconversion are these giant machines that once built Packard cars. Safely wrapped and stored in factory yards, their availability can help shorten the lag in ultimate change-over to peace production.

Future Planning

As stated previously in this report, our major effort will be in automobiles. Thus, it was necessary for us to make extensive plans in support of this phase of our business. Our general arrangements are made for this work.

This planning is required to guide future moves into the over-all plan for postwar production. It is necessary to have our physical plant and organization set up so that war work may be carried on in whatever volume is required and, at the same time, we must be able to carry on the production of a limited number of automobiles released under possible Government control. The planning is based on a reduced schedule of war materials as certain phases of the war are accomplished, and on the necessity of essential transportation needs being met when reduced war requirements free up manpower and materials.

It is our desire to continue in the field of aircraft-engine development and production after the war. We are influenced in this decision by the results we have accomplished to date, as well as by the encouragement that we have received from those we have served in our war effort. We do not see any great volume in the near future in this work, compared with our automobile output, which would influence our decision to continue in this field. However, when viewed from the possibilities of engineering research and development with benefits to all our products, it appears very desirable.

The results of our marine engineering and production will warrant continued effort in this phase of our business. It is planned to expand our efforts in this division both in diversification of the product and in its application. Industrial application of our engines, from field surveys, shows encouraging outlets.

Factory facilities and abilities in our organization are causing us to give consideration to postwar expansion of our line of automobiles into commercial cars and taxicabs.

To assist in carrying out our postwar plans and to protect us against any emergency that may arise, the Company on June 1, 1944, arranged with a group of banks for a revolving credit of $30,000,000 in order to release funds of the Company invested in war producton contracts, particularly funds which will be invested in such contracts when the same are canceled at the termination of hostilities. The funds borrowed under this arrangement will be used to replenish working capital, if necessary, and to provide adequate financing, if needed, for prompt reconversion to peacetime production. Any amounts which are borrowed against claims of the Company on canceled war contracts will be guaranteed to a large extent by the Navy Department. The arrangement remains in effect until December 31, 1947. To date no borrowings have been made.

Outlook for 1945

Planning for 1945 has many opportunities for being altered materially during the year as it will be completely controlled by circumstances of war requirements.

Our production schedules have been agreed upon by the Army Air Forces and the Navy. Our volume for 1945 should be approximately $350,000,000, which will equal our volume for 1943 and be more suited to our plant capacity.

Our efforts in 1945 will be primarily war work as we see the picture, with a secondary job of keeping essential service parts available for Packard cars. These service parts needed for 1945 are going to be difficult and expensive to obtain. While this expense is important to us from an operating standpoint, it will not lessen our efforts to supply the necessary parts.

Numerous problems will be present when reconversion to our peacetime products is permitted. Your Company is prepared to complete this task the same as other companies in our line of business and in about the same length of time, based on present conditions.

Stockholders may be assured that the postwar prospects of the Company are most encouraging.

Cordially yours,

Geo. T. Christopher

President

For the Board of Directors

Approved:

Owen Macauley

Chairman

March 8, 1945

PackardInfo.com

PACKARD MOTOR CAR COMPANY *A Michigan Corporation*

and Subsidiary Companies

ASSETS

CURRENT ASSETS:		
Cash in banks and on hand, including $12,742,161 restricted to use in performing Government contracts		$ 31,846,852
United States and Canadian Government securities at amortized cost, not over market		664,310
United States Government tax notes and accrued interest		22,758,830
Accounts and notes receivable, less reserves—		
Accounts receivable	$23,588,894	
Deferred installment notes	180,602	23,769,496
Unbilled costs and fees under cost-plus-fee contracts		32,239,618
Inventories at or below cost—		
Raw material, work in process, etc.	$15,923,558	
Finished automobiles	420,051	16,343,609
		$127,622,715
OTHER ASSETS:		
Miscellaneous investments	$ 12,111	
English subsidiary company (wholly-owned)—investment and advances at cost	194,962	
Post-war refund of Federal excess profits taxes (estimated)	4,624,350	4,831,423
PROPERTY ACCOUNTS:		
Land, at cost—		
For manufacturing purposes	$ 1,957,592	
For distribution purposes	4,402,193	$ 6,359,785
Buildings, plant equipment, etc., at cost—		
Manufacturing properties	$18,786,809	
Less—Reserves for depreciation and amortization	11,820,626	6,966,183
Distribution properties	$ 9,325,539	
Less—Reserves for depreciation	4,417,133	4,908,406
Rights, privileges, franchises and inventions	1	18,234,375
Note—The company is also using extensive facilities paid for and owned by customers including the United States Government.		
DEFERRED CHARGES:		
Prepaid insurance and other expenses		515,367
		$151,203,880

Consolidated Balance Sheet—December 31, 1944

LIABILITIES

CURRENT LIABILITIES:		
Accounts payable and accruals		$ 23,240,667
Reserves for cost adjustments, wholesale discount, product warranty, etc,		5,912,620
Advances by customer under contracts		38,000,000
Reserve for income taxes and refund to the United States Government with respect to renegotiation of war contracts (estimated)		24,914,122
		$ 92,067,409
RESERVE for contingencies and post-war adjustments		4,000,000
CAPITAL STOCK:		
Common (authorized 25,000,000 shares of no par value)		
Issued 15,000,000 shares		30,000,000
(Includes 8,660 shares issued to Trustee for account of company, not carried as an asset)		
CAPITAL SURPLUS (no change in 1944)		12,016,721
EARNED SURPLUS since May 1, 1935:		
At December 31, 1943	$10,500,974	
Net profit for the year 1944 per statement attached	4,117,910	
	$14,618,884	
Dividend paid—10 cents per share	1,499,134	
At December 31, 1944		13,119,750
		$151,203,880

(See accompanying notes to financial statements)

PackardInfo.com

PACKARD MOTOR CAR COMPANY *and Subsidiary Companies*

STATEMENT OF INCOME

For the Year Ended December 31, 1944

Sales of war products including billable costs and fees on cost-plus-fee contracts, automobiles and service parts after deducting estimated provision for renegotiation of war contracts		$455,118,588
Other income:		
Profit from operations of automotive selling branches and subsidiary companies after deducting $264,879 depreciation		253,580
Interest, rentals, etc.		320,585
		$455,692,753
Cost of products sold, including $1,344,132 depreciation and amortization	$426,958,036	
Selling, general and administrative expenses	4,016,807	
Provision for contingencies and post-war adjustments	1,000,000	431,974,843
Balance before Federal taxes on income		$ 23,717,910
Federal taxes on income (estimated):		
Normal tax and surtax	$ 1,600,000	
Excess profits tax	20,000,000	
	$ 21,600,000	
Less—Post-war refund of excess profits tax	2,000,000	19,600,000
Net profit for the year including $2,000,000 credit for post-war refund of excess profits tax		$ 4,117,910

(See accompanying notes to financial statements)

NOTES TO FINANCIAL STATEMENTS

December 31, 1944

Notes:

1. Renegotiation of 1943 war business resulted in a refund to the United States Government of $5,000,000 which was charged to reserves provided in that year. Provision for renegotiation for 1944 has been made on substantially the same basis as the settlement for the preceding year.
2. There are various uncertainties in the determination of the Company's financial position and profits during the war, such as possible adjustments resulting from Government audits of cost-plus-fee contracts, post-war rehabilitation of plant and various other contingencies. The effect of these contingencies cannot be determined at this time, but in the opinion of the management, reasonable reserves have been provided therefor.
3. Under date of June 1, 1944 the Company entered into a Credit Agreement under which it is entitled to borrow up to $30,000,000 and which provides among other things that it will at all times maintain consolidated net current assets of $17,000,000 or more and that it will pay or declare no dividends (other than in its own stock) which together with dividends paid or declared after December 31, 1943, will exceed 75 per cent of its consolidated net earnings subsequent to December 31, 1943. The payment or declaration of a dividend shall not be considered a violation of this agreement by reason of a reduction in consolidated net earnings thereafter resulting from losses or renegotiation of contract prices. (Under this agreement consolidated net earnings are defined as net profit of the Company and its consolidated subsidiaries after all charges, including reasonable provision for taxes and renegotiation of contract prices, but before post-war and non-specific contingency reserves.) There have been no borrowings under this agreement. In addition to the dividend paid during 1944 a dividend of $2,248,701 was declared on January 24, 1945.

PRICE, WATERHOUSE & CO.

PENOBSCOT BUILDING
DETROIT

To the Board of Directors and
the Stockholders of
Packard Motor Car Company:

We have examined the consolidated balance sheet of Packard Motor Car Company and its subsidiary companies as at December 31, 1944 and the related statement of income for the year then ended. Our examination was made in accordance with generally accepted auditing standards applicable in the circumstances and included such tests of the accounting records and other supporting evidence and such other procedures as we considered necessary. Receivables from United States Government departments were not confirmed but we satisfied ourselves by other means as to these items.

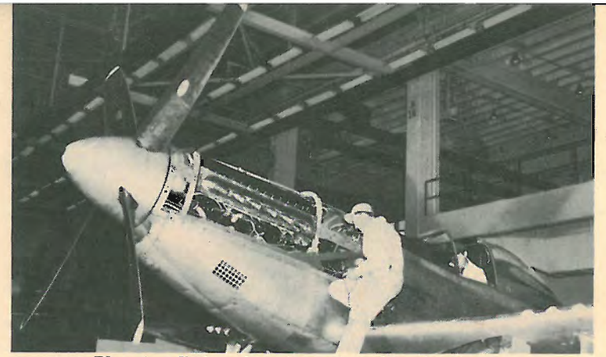
In our opinion, the accompanying consolidated balance sheet and related statement of income present fairly the position of Packard Motor Car Company and its subsidiary companies at December 31, 1944, and the results of their operations for the year, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

PRICE, WATERHOUSE & CO.
Certified Public Accountants

Detroit, Michigan
March 1, 1945.

Packardinfo.com

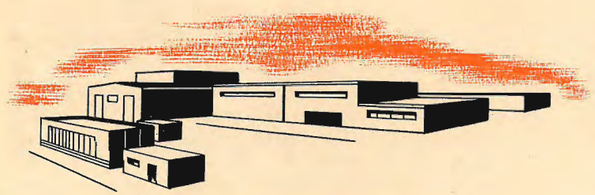
An experimental engine in process of construction: a Toledo plant activity resulting from Packard's forward-looking developmental work in special aircraft fields.



Plane installation of special engines, here done in temporary quarters, will soon link finished facilities at Willow Run into Toledo engine design and building.

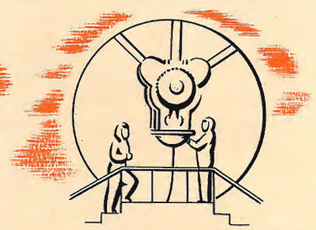
ARMY PICKS PACKARD FOR AIRCRAFT ENGINE DEVELOPMENT

ADDED recognition came to Packard as an engine expert when, in 1944, it received a specific request from the A.A.F. Air Technical Service Command. The Army asked Packard to handle advanced aircraft engine developmental work. Modern new facilities for the specialized purpose were approved to augment the Toledo plant. Complementing them, flight installation and test laboratories were designed for the Army Air Base at Willow Run. Engine design, building and test work is already under way. Shortly, all will be housed in the new Toledo-Willow Run quarters, destined to be one of the country's few fully equipped engine test centers. And Packard experience gains accordingly!



Packard's Toledo developmental addition is fully planned to handle all phases of the experimental engine production program.

Toledo plant facilities for special motor development include latest new design in dynamometer cells.

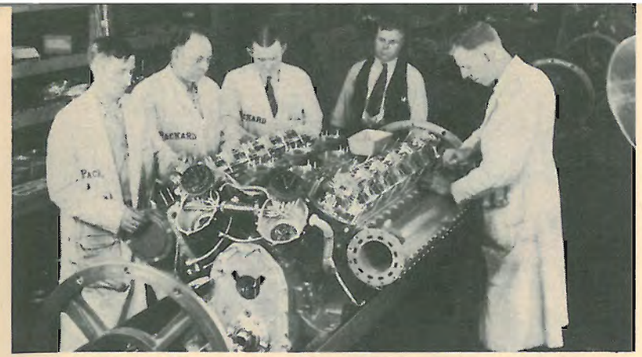


Cold chambers will provide highest attainable altitude conditions for Toledo engine tests

3-story engineering laboratory, huge hangar, flight observation tower and attached power plant comprise the Willow Run project.

Flight installations and on-the-spot testing coordinate Willow Run and Toledo test work.

Willow Run equipment provides constant contact between test pilot and ground engineer staff.



From skilled manpower and experience gained in the mass production of the highly successful PT-boat engines can stem equally famous powerplants for a broadened engine market.

Packard marine engine heads review a market analysis of the special engine field. The study reveals excellent opportunities for enlarged application of Packard's fine motor building.

RESEARCH LAUNCHED TO BROADEN PACKARD ENGINE MARKET

HOW can Packard best use its engineering knowledge and building skill to broaden its line of postwar products, widen its marketing opportunities and, also, spread employment? An unchallenged record of specialized engine background suggested the fields of special motor applications. During the year, trained analysts have been compiling fact and figure. Industry surveys, plussed with personal interviews, have constituted a thorough-going study. Findings are being carefully reviewed and conclusions are being drawn. It is apparent that Packard *can* fill a real post war need in certain technical engine areas. Plans to meet that important purpose are right now proceeding.

HEAVY-DUTY TRUCK ENGINES? *Packard performance, stamina and dependability could fill the bill!*

YACHT AND CRUISER ENGINES? *Up Packard's engine-building "alley"—based on PT-boat experience!*

GIANT SNOWPLOW ENGINES? *Already potential users ask if Packard will build them!*

INDUSTRIAL ENGINES? *Possibly. Here, too, Packard design meets the requirements!*

MINE FIELD ENGINES? *Reliability of Packard engines could answer these uses also!*

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Post-War Job PLANNING IMPORTANT TO MANAGEMENT AND LABOR ALIKE

COMPANY hopes for postwar jobs, increased from the former peacetime peak of 12,000 to an expected 28,000, have been advanced to employees in their factory publication. Methods of securing this goal were outlined, and programs have been launched to train supervision in a better placement and sympathetic utilization of co-operative manpower.

28,000

12,000

Thirty-six groups of shop foremen meet every two weeks in hour-long discussions of management problems. These sessions dwelling on job analysis, training and supervision of workers, produce a wartime personnel understanding of promise to postwar operation in expanded car production.

Screened by scientific aptitude tests, these shop and office employees voluntarily attend a night-time sales training course, with the ultimate goal of joining Packard's future enlarged merchandising staff.

Helpful counsel with clinical psychologists give plant executives better knowledge of manpower evaluations and worker placement to mutual good advantage.

STIMULUS to labor ranges from recognition for shop shortcuts (18,811 production ideas submitted; 5903 in use) to retroactive seniority for employees returning from military service.

Shop suggestion system let this sheet-metal man design fixture to crimp seams instead of the former hand-hammering operation.

For 27 years past, Packard has recognized loyal service by gold watch awards from Chairman Macauley to 8404 employees completing 10 years with the company.

Workers get WPB Awards for shop shortcuts from Pres. Christopher to lead nation in honors.

Birthday gifts to nearly 8,000 employees now in armed service, bring a deluge of thanks and intent of return to Packard.

Nearly 1200 returned veterans have had special employment attention and considered handling.

Packard workers engage heartily in all victory drives. Here is just one of thousands whose response to visiting Blood Banks totaled 8,869 pints.

Three each from Company and Union comprise the Management-Labor Committee. It handles all morale-stimulus projects tving in with the war effort and making their worthy effects felt from "shop to top."

Packard Prepares ITS DEALER ORGANIZATION FOR 200,000-CAR PEACETIME SALES

LONG before Pearl Harbor, Packard had developed a sound plan of increased sales. It projected production at efficient plant capacity of 200,000 cars annually. Then came the war. But far-sighted planning has steadily continued—to ready an improved dealer organization for a rightfully increased share of the postwar motor car business.

An eye to expanded car future has maintained intact the Packard factory-field sales staff which meets frequently (under ODT rules) for counsel.

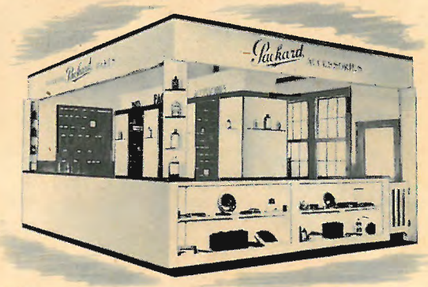
PACKARD has not only helped its dealers stay in business and earn a legitimate profit, but has added to its outlets in sound dealer growth for the future. Progressive steps have been taken for enlightened relationships between factory and field. Response has been excellent toward a program nearly double that of any previous Packard "high."

Better relationships between factory and dealer stem from the new Dealer Advisory Council. It meets quarterly with Packard officials in frank discussion.

Judged "only automotive advertisement among the 100 wartime best for 1944", this typifies support soundly continued for company and dealer interests.

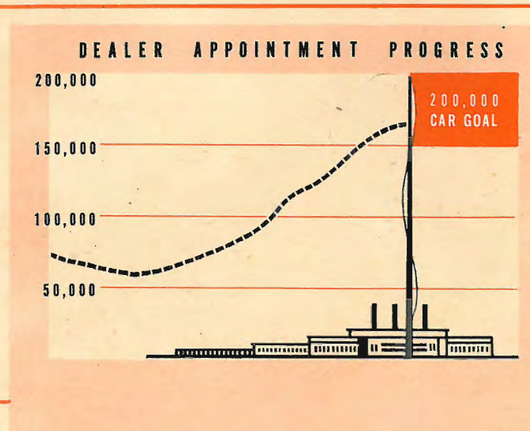
Varied educational programs using modern visual methods proven sound in military training are being developed to school a larger and stronger postwar merchandising organization.

Dealers' keen interest in better facilities for postwar sales and service prompts this factory-produced building book as one of many services to broaden field operation.

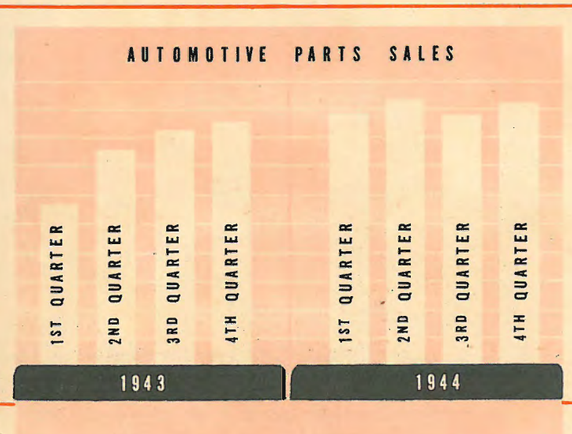


This modern parts and service merchandising system Packard is now installing, not only dresses a dealer's store but also operates more efficiently for the customer.

Packard's liberalized sales franchise is attracting hundreds of right-type dealers. This brand new one signs an agreement for his annual 800-car contract.



Current progress has already signed dealers whose total potential equals 78% of annual 200,000-car postwar sales goal.



Dealer and car owner response to the new parts and service program is indicated by steadily rising dollar volume.

P. S. TO PACKARD STOCKHOLDERS

Two ways to help your company: give us names of likely candidates for Packard dealerships—in larger cities and also, in towns where none now operates; and let your Packard dealer service your car, regardless of its original make or model.

MAR. 14 PT-BOAT HERO LIEUT. COMMANDER JOHN D. BULKELEY OF "THEY WERE EXPENDABLE" FAME VISITS THE PACKARD MARINE ENGINE DIVISION. HE PRAISES THE PERFORMANCE AND STAMINA OF THE PACKARD-BUILT ENGINES.

MAY 12
Mustang fighter plane, powered by Packard-built Rolls-Royce engine establishes a new trans-continental speed-record. Los Angeles to New York in six hours and thirty-one minutes.

MAY 13
Mosquito fighter-bomber, powered by Packard-built Rolls-Royce engines, establishes new trans-Atlantic record. Labrador to the British Isles in six hours and forty-six minutes.

MAY 23
WPB authorizes Packard to undertake a $975,000 project for manufacturing vital car replacement parts.

OUTSTANDING EVENTS
1944

JUNE 6
Packard workers get news that Packard-powered motor torpedo boats spearhead D-day attack on Normandy beaches.

SEPT. 3
Packard employees learn that their "Sky-Clipper" has completed 48 missions over Nazi occupied Europe. This fighter plane, powered by a Packard-built Rolls-Royce engine, was an outright gift to the Army Air Forces from Packard workers.

SEPT. 12
First steps in extensive pre-reconversion program announced as Hern Ave. plant is bought and Milwaukee Ave. plant leased.

OCT. 14
Packard's 50,000th war engine is completed. Army, Navy and Packard officials commemorate significant milestone as engine is dedicated to a Packard woman war worker whose seven sons are in the service.

NOV. 22
Packard employees set new record in subscribing over $3,000,000 to Sixth War Loan.

DEC. 1
Packard workers take national lead in WPB awards for production short-cuts. A total of 171 Packard names have now been given Washington awards for shop ingenuity.

DEC. 11
Following announcement of the new Toledo-Willow Run engine research program, construction gets under way at Willow Run for Packard flight test hangar and experimental laboratories.

DEC. 22 THIRD VISIT OF RED CROSS BLOOD BANK MOBILE UNIT TO PACKARD IS COMPLETED WITH TOTAL OF 8,869 PINTS OF BLOOD DONATED TO THE RED CROSS BY PACKARDITES DURING 1944.

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