More Than They Promised: The Studebaker Story. *By Thomas E. Bonsall.* Stanford: Stanford University Press, 2000. 496 pp. Illustrations, tables. Cloth, $49.50. ISBN 0-804-73586-7.

Reviewed by Donald T. Critchlow

Thomas Bonsall, a well-known author among antique car enthusiasts, brings considerable knowledge of automobile history to this telling of the rise and fall of the Studebaker Corporation, a company whose history spanned over a hundred years. This is not the first history of Studebaker, but readers will find information not covered in other histories of the company. Bonsall is not inspired by an overarching thesis, but he offers keen insights into the course of Studebaker's transition from a wagon producer in the nineteenth century to a major automobile producer that ultimately failed in the post–World War II era. He attributes the decline of Studebaker to high labor costs, low productivity, poor marketing decisions (especially its 1953 models), and a weak dealer network. Bonsall is especially good on automobile design and model development. Although some critics will disagree with his conclusion that the failure of Studebaker, confronted with Big Three competition, was "a tragedy that need not have happened" (p. 470), there is much to be garnered from this book.

Based primarily on secondary sources and contemporary published documents, this book traces the history of Studebaker chronologically, beginning with the three Studebaker brothers who founded their wagon company in South Bend, Indiana, in 1852. Bonsall finds in the Studebaker brothers "a microcosm" of industrial development of America. He observes, "[I]t was the sudden and rapid industrialization beginning in the middle of the Nineteenth Century that made America a great and astonishingly rich country" (p. 11). Coming from a family of Dunkards, a religious sect that emphasized "the simple life," the Studebaker brothers developed one of the largest wagon-manufacturing concerns in the world. In the process, they became rich and associated with "such movers-and-shakers of the age" as George M. Pullman, P. D. Armour, and Cyrus McCormick. "The brothers," Bonsall writes, "also invested heavily in Chicago real estate and made a good deal of money in that sphere" (p. 36).

Frederick S. Fish, a New Jersey corporate lawyer who married into the family, took the company into the automobile business. The company's first entrance into autos began with experimentation in 1896 with an electric-powered car. In 1902, Studebaker sold its first electric car, using a battery developed by Thomas Edison. In 1903, Studebaker began assembling gasoline automobiles, after entering into a contract with the Garford Company in Cleveland, Ohio, and purchasing another Cleveland automaker, the General Automobile and Manufacturing Company.

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Bonsall emphasizes that Studebaker at this stage assembled cars and did not manufacture them. “Truth to tell,” he notes, “few automobile ‘manufactures’ of the day were manufacturers at all, but merely assemblers of components” (p. 53). In 1907, an aggressive acquisitions policy was initiated by Fish that led to the takeover of the E-M-F Company based in Detroit. By 1913, Studebaker was the “third or fourth” best-selling car in America.

The “golden age” of Studebaker occurred in the 1920s under the leadership of Albert R. Erskine, who became president of the company in 1915. Under Erskine, Studebaker became one of the first automobile manufacturers to use wholesale and retail financing to stimulate sales. In 1916, ground was broken in South Bend for a new plant. Under its chief engineer, Fred Zeder, Studebaker developed an impressive line of middle-range-priced cars, including its Light Four, Light Six, and Big Six, ranging in price from $895 to $1,695. Studebaker reached a high in 1923, with $166.1 million in sales and a record profit of $18.4 million. For the rest of the decade, Erskine struggled to expand Studebaker into other markets—a smaller car, the Erskine, for the European market in 1927; a luxury car with the acquisition of Pierce-Arrow in 1928; and a small car, the Rockne, in 1932.

The crash of 1929 brought the fall of Erskine and placed Studebaker into bankruptcy. Although the Studebaker Corporation reported sales of only $86.1 million in 1930, the lowest since 1919, Erskine insisted on paying substantial stock dividends, even though it was necessary to draw on capital reserves to do so. Sales continued to slump, even though, as Bonsall observes, “Studebaker styling reached the heights in 1932. Across the model range, there were some of the finest looking cars Studebaker—or any company—ever offered.” With the South Bend plant working at only 25 percent capacity in 1931, however, turning a profit proved impossible. In March 1933, Studebaker was forced into receivership. Shortly afterward, Erskine committed suicide.

Bonsall’s description of the recovery of Studebaker under Paul Hoffman and Harold Vance in the 1930s, and of the company’s decline in the postwar era, covers familiar terrain, but he brings to the story fascinating details and anecdotes that makes this book a worthy contribution to business history. His knowledge of cars, both in mechanics and design, is evident throughout the book. He presents an interesting case that Studebaker’s 1953 models “constituted the biggest single marketing mistake made after the war” (p. 453). The sedans were “frumpy” and were “too short, too tall, too narrow, and consequently, woefully unappealing” (p. 458). As a consequence, the coupes and hardtops did well on the market, but sales of two- and four-door sedans fell by a third. Along with poor design and marketing decisions, Bonsall also shows that Studebaker management failed to link higher productivity to union contracts allowing wages and benefits that

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were above industrial standard. Attempts to overcome these problems through a merger with Packard, a marketing arrangement with Daimler-Benz, and a diversification program failed to revive the company. In 1963, Studebaker moved its auto production to Canada, only to leave the automobile business a few years later. Bonsall's account of the travails involved in keeping the Avanti, the last model developed at Studebaker, in production during the later years offers an interesting case in specialized automobile manufacturing.

Contrary to the jacket blurb, which describes the book as the "result of a prodigious amount of research," this study is based largely on secondary works. Chapter endnotes usually extend to about twenty-five per chapter. Nonetheless, Bonsall's immense knowledge of Studebaker is apparent throughout the book. Still, the author deserved better from Stanford University Press. The writing is marred by long block quotations that take up entire pages. Bonsall is given to making personal judgments: "The writer has long been fond of close-coupled sedans . . . and the 1929 Studebaker examples of the type are among the finest ever designed" (p. 147). Such observations are distracting, as they are perhaps only of interest to an auto enthusiast. On page 90, Bonsall lists the entire menu for a banquet honoring J. M. Studebaker. Although amusing, a good editor might have suggested that such information is antiquarian. His endnotes are imprecise and make no useful points for further scholarship. For example, endnote 7 on page 79 reads, "Pun intended," followed by note 8, which reads, "Ditto." On page 96, Bonsall lists the production figures for Studebaker between 1913 and 1917, but he does not name his sources. There is no reason to doubt the accuracy of this figure, but a citation was in order. Endnotes 13 through 17 on page 382 cite "the Studebaker Corporation papers, author's collection," but do not specify which documents from this collection were used. Bonsall has something to say in this book; it is too bad the publisher did not take more time with its editing.

Donald T. Critchlow is professor of history at Saint Louis University. His most recent books include Studebaker: The Life and Death of an American Corporation *(1997);* Intended Consequences: Birth Control, Abortion, and the Federal Government in Modern America *(1999); and the* Encyclopedia of American History, Volume 10: 1968–present *(in press). He is currently writing a book on Phyllis Schlafly and grassroots conservatism, to be published by Princeton University Press.*

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