

“Go Away, Little Boy”

Walter Chrysler and Henry Ford discuss the new Plymouth, circa 1927

Gene Weiss, retired Chrysler Engineer, Oral History Interview:

There is a story in automotive lore of a meeting between Henry Ford and Walter Chrysler. It had to have been in 1926 or 1927. Chrysler is sitting next to or near Henry Ford, who as the grand old man of the business is about 12 years older than Chrysler. Ford sort of leans over and says, “You know, you shouldn’t enter the low-priced field. Ford and Chevrolet have it locked up and will shut you out.”

Fortunately Walter Chrysler didn’t pay any attention to Henry Ford. He went off and introduced the Plymouth.

Now Ford was a privately owned company. Henry Ford owned the whole thing. The accounting practices at that time would be whatever pleased the owner. GM and Chrysler were publicly held companies that were required to use generally accepted accounting practices. At Ford, it seems that their accountants were not amortizing the tooling. In other words, they were not recovering the tooling costs on production. If the books balanced, if the cash register had money in it at the end of the day or the end of the month or the end of the year, why, they were obviously making money. What else do you need to know? But it was very clear that if the same accounting practices had been used at Ford in the 1930s, the bottom line would have been red.