Chrysler Airtemp Division, 1934

Beginning in 1934, Chrysler Corporation took a foray into a business far a field from its normal expertise — the manufacture of air-conditioning equipment. Walter Chrysler first developed an interest in this area when he was shopping for air-conditioning equipment for his Chrysler Building in New York City, completed in May 1930. He found the current technology to be expensive and oversized, so he hired Charles Neeson to design better equipment, with the aid of the Chrysler Engineering staff. In time, they developed a high-speed radial compressor that was superior to existing equipment.

In mid-1934, Walter Chrysler announced that his automobile company had developed the "Airtemp Conditioner," already trademarked, and would manufacture the equipment. He formed the Airtemp Corporation on October 22, 1934, and began manufacturing operations in a former Chrysler stamping plant in Detroit. The airconditioning operation became Airtemp, Inc., a subsidiary of the Chrysler Corporation in August 1935, later renamed the Airtemp Division of Chrysler Corporation in September 1938.

Airtemp manufacturing operations moved in June 1936 to the revamped Maxwell Motor Company plant in Dayton, Ohio. Airtemp quickly became an engineering leader in this newly emerging industry. In 1937, its engineers invented capacity regulators, which helped the air-conditioning system adjust to varying loads, and the following year they developed the first self-contained air conditioning units.

Because air conditioning was a novel product in the 1930s, Airtemp and other manufacturers had to convince potential buyers that they needed air conditioning in the first place. In June 1941, Chrysler sponsored a meeting of more than 50 representatives from various industry trade publications, held in Dayton, to promote air conditioning. The conference generated a report, How Air Conditioning Builds Business Profits, which pointed out the value of climate control for businesses ranging from beauty parlors to funeral homes.

Airtemp was the last new venture that Walter Chrysler initiated and was far more successful than, for example, the Airflow cars.