

1912



REO Special



Built in St. Catherines Ont.



Specifications	1912 REO
Body style	5 passenger touring car
Engine	4 cylinder "F-Head" 30-35 horsepower Bore & Stroke: 4 inch X 4 ½ inches (10 cm X 11.5 cm)
Ignition	Magneto
Transmission	3 speeds + reverse
Clutch	Multiple disk
Top speed	38 miles per hour (60 k.p.h.)
Wheelbase	112 inches (2.8 metres)
Wheels	34 inch (85 cm) demountable rims 34 X 4 inch tires (85 cm X 10 cm)
Brakes	2 wheel, on rear only 14 inch (35 cm) drums
Lights	Headlights - acetylene Side and rear lamps - kerosene
Fuel system	Gasoline, 14 gallon (60 litre) tank under right seat gravity flow system
Weight	3000 pounds (1392 kg)
Price	\$1055 (U.S. model) \$1500 (Canadian model)
Accessories	Top, curtains, top cover, windshield, acetylene gas tank, and speedometer ... \$100 Self-starter ... \$25
Features	Left side steering wheel center control gear shift
Factories	Lansing, Michigan St. Catharines, Ontario

REO History

National Park Service
US Department of the Interior

In 1885, Ransom became a partner in his father's machine shop firm, which soon became a leading manufacturer of gas-heated steam engines. Ransom developed an interest in self-propelled land vehicles, and he experimented with steam-powered vehicles in the late 1880s. In 1896 he built his first gasoline car and one year later he formed the Olds Motor Vehicle Company to manufacture them. At the same time, he took over his father's company and renamed it the Olds Gasoline Engine Works.

Although Olds' engine company prospered, his motor vehicle operation did not, chiefly because of inadequate capitalization. In 1899 he liquidated it and incorporated a new company, the Olds Motor Works, with financial backing from Samuel L. Smith, a wealthy lumber magnate. Operations were shifted from Lansing to Detroit, and Smith, who owned most of the company's stock, became president while Olds served as vice president and general manager. During its first year in Detroit, the company had a slow start, largely due to Olds' indecision about what type of car to produce.



By 1901, however, Olds had perfected the design for the curved-dash Oldsmobile, which sold for \$650. Olds was the first to develop a low price car intended for a mass market, and it proved a smashing success. As production of the curved-dash car got underway, however, almost the entire factory was destroyed by fire. Olds still managed to manufacture and sell 600 of these cars in that year.

Heavy demand for the Oldsmobile led Olds to modify the automobile manufacturing techniques in use at that time. From the beginning, he relied on subcontractors and made the use of outside supplier parts more a part of his manufacturing process than anyone had before. In addition, Olds "devised a progressive assembly line system, which contained all the elements of the modern assembly line with the exception of the power conveyor" according to his biographer Glenn A. Niemeyer. By 1904 sales had reached 5,000 automobiles, a figure unheard of at that time. Much of Olds' success in selling the car was due to an unprecedented advertising campaign in national periodicals and a number of highly publicized races and endurance runs. Despite his success, Olds grew increasingly restive because of Samuel Smith's control of the Olds Motor Works. Bitter feelings between Smith and Olds culminated in the ouster of Olds from his post as vice president and general manager in 1904.

Ransom Eli Olds, a pioneer in the design and manufacture of American automobiles, established this plant for his Reo Motor Car Company in 1904. At this factory, Olds continued the success he had first achieved with the introduction of the Oldsmobile in 1901. His production of low price vehicles for the mass market and his manufacturing innovations contributed to the growth of the U.S. automobile industry.

In August 1904, Olds organized the R.E. Olds Motor Car Company, a name that was soon changed to REO in order to avert a threatened lawsuit from the Olds Motor Works. Although a number of individuals invested in the company, Olds held fifty-two percent of the stock as well as the titles of president and general manager. To provide REO with a reliable supply of parts, he organized a number of subsidiary firms like the National Oil Company, the Michigan Screw Company, and the Atlas Drop Forge Company.

By 1907 REO had gross sales of four million dollars and the company was one of the top four automobile manufacturers in the U.S. After 1908 however, despite the introduction of improved cars designed by Olds, REO's share of the automobile market shrank due in part to the development of giants like Ford and General Motors. REO's stagnation must be attributed in large part to Olds himself, who was talented mechanically but not administratively. Although Olds added a truck manufacturing division to REO in 1910 as well as a Canadian automobile plant, he gradually lost interest in the company as he turned his attention to other ventures. In 1915, he relinquished the title of general manager to his protégé **Richard H. Scott** and eight years later he gave up the company's presidency as well, retaining only the honorary position of chairman of the board.

From 1915 to 1925, under Scott's direction REO remained profitable though small and earned a reputation for well-built cars and trucks. In 1925, however, Scott launched an ambitious expansion program designed to make the company more competitive with other automobile manufacturers by offering cars in different price ranges. The failure of this program and the effects of the Depression caused such heavy losses that Olds came out of retirement in 1933 and took control of REO again.

Olds' return was brief, however. Late in 1934, he resigned from the company's executive committee because it refused to approve his plan for a new four-cylinder car. In 1936, the same year REO abandoned the manufacture of automobiles, Olds resigned as chairman of the board. Until his death on August 26, 1950, he devoted his time to many other business interests.

In the years after Olds left REO, the firm continued to experience serious financial problems. Although World War II truck orders enabled it to make something of a comeback, the company remained unstable in the postwar era. In 1954 the company was sold to the Bohn Aluminum and Brass Company of Detroit, and three years later it became a subsidiary of the White Motor Company. White merged REO with Diamond T Trucks in 1967 to form Diamond REO Trucks, Inc. In 1975, this firm filed for bankruptcy and most of its assets were liquidated.

REO and the Canadian Connection.

Glenn H. Baechler

The automobile manufacturing business in Canada was governed by the tariffs imposed on the import of vehicles. Government protectionism was considered the method to support any fledgling manufacturer and safeguard his interests from those "big" U.S. companies who wanted to enter the Canadian market. A 35% tariff accomplished this disincentive.

However, there was no penalty on importing manufacturing skill and knowledge. Build your plant in Canada and bring your research and plans and Canadian workmen would be employed. Ford Motor Company of Detroit took advantage of the tariff and established themselves in the Dominion in 1904. Initially with just an assembly plant they gained access to the British Empire through the favourable duties accorded to members of the British Commonwealth. Oldsmobile followed in 1905.



Every automobile manufacturer in Michigan was looking to expand into the growing market and Ford's addition was profitable and encouraging. R.E.Olds was paying attention.

REO motor car company had two distinct manufacturing lives in Canada. The inauguration and first meeting of the Canadian shareholders was in December 1908. After the legal dust of Canadian incorporation had settled it was no surprise to find R.E.Olds as president of the new company holding 3996 of the 4000 issued shares. At the January 23rd 1909 meeting of the board Mr. Olds also announced the intended purchase of a large factory for the new company, not in Windsor, where the company was founded, but, in St. Catherines, Ontario, 30 miles from Buffalo, N.Y.

The man most likely responsible for the plant purchase was R. B. Hamilton, a former secretary of Packard Electric in St.Catherines who bought control of that firm in 1908. Hamilton also happened to be the REO agent in St. Catherines. Another active participant was Canadian- born Richard H. Scott who later would become president of REO in Lansing. Scott had worked for Packard Electric in Warren, Ohio, and for R.E.Olds in Lansing in the 1890's.

It was perhaps a mere thrust of retribution that this same plant was the location where Oldsmobiles had been built from 1905 to 1907.

The two cylinder REO's of 1909 were assembled here for the balance of the year, but the first cars built completely in the factory were the new four cylinder 1910 models. The full support of the Lansing plant was pledged and engines were probably supplied along with some other components. But a well equipped machine shop was immediately installed to provide the finishing of the castings and forgings secured from local sources. Bodies, tops, and wheels came from Toronto and Chatham, Ontario.

Reported production figures of 800 units in 1910 and 1000 in 1911 may have been exaggerated.

The St. Catherines plant was not profitable, but it was in place to produce R.E.Olds "Farewell Car" in 1912. REO's famous advertising proclaiming that he could never produce a better car and this was his ultimate achievement was a dangerous boast, as the future would reveal, but it was a completely new model with great potential.

The Lansing built cars were called "REO the Fifth", a citation without any real meaning. In Canada the car would be called "THE REO SPECIAL". Using the same chassis the Special did not have the dashboard vent under the windshield, wheel size was 34 x 4 or 26" and a five bow top was standard. Only three models, a five passenger touring, a four and a two passenger roadster were offered.

The changes made by the St. Catherine's management were sufficient to give it's product a different designation, but the Canadian company was on a tight string with Lansing. While the Instruction book for the Special had it's own cover the parts list was made in Lansing. The Canadian owner was advised with two stamped lines on the inside cover "To obtain Canadian Prices add 20% to these figures".

Production at the Ontario plant peaked in 1912 at 25 units per week and the advertising highlight of the year was the cross Canada trip in late summer. An Englishman and travel author, Thomas Wilby, had convinced REO to supply a car and driver to travel from coast to coast. By using railroad right of ways, with a conductor on board and the few suitable roads in the vast north, the car was the first to have been virtually driven the distance. REO did its utmost to use this feat for some great advertising, even having the factory driver, Fred Haney, display the vehicle around the country in the same disreputable state in which it had finished the trip. But to no avail!

R.E.Olds had always sought to build a light weight but strong automobile. In 1911 he thought he had found a method to accomplish this feat with the introduction of the "pressed fibre" panel. It was a novel and unique idea, using thin body panels over the wood frames and re-enforced with

metal surround mouldings. Later abusive comments would refer to the bodies as "paper mache". Unable to withstand severe weather conditions, the bodies would warp and swell and disintegrate.

The Canadian production was supplied by the Gray Carriage Company of Chatham, later builders of the Gray Dort automobile. Mr. Bill Gray of that company reported that the body failure was responsible for putting REO out of business in Canada.

Operations did continue into 1913 and by mid year metal covered bodies were being produced, but the damage had been done. By 1914 the cars offered were called REO the 5th and evidence that the cars were probably mostly imported. In any case by 1915 the factory was turned over to war work.

Early in 1916 REO made its position clear when it advised Canadian customers that it could give them "better workmanship, better finish and altogether better value and better service from the main factory than we could from a Canadian Branch Plant". St. Catherines remained the Canadian headquarters concentrating on sales and the new and increasing truck market until 1922 when everything moved back to Windsor Ontario and Canadian production officially ceased.

REO's second life in Canada began in March, 1931 when R.H.Scott one of the original founders became President of the Canadian branch and announced that REO would take over the former Dodge Brothers factory in Toronto. Some production got underway, but the depression was taking its toll on the auto industry and within the year REO announced its further production would be under Dominion Motors Ltd., a survivor of Durant and builders of the Frontenac. Remaining production was moved to the Leaside factory, where the 1932 and 1933 REO Flying Clouds were turned out. When Dominion Motors failed in 1933, REO took over the Leaside plant and did some assembly but most, if not all, of its cars were imported until 1936 when the automobile production ceased. Henceforth REO MOTOR COMPANY OF CANADA LTD. would be a truck maker until May 24th 1957 when it was officially merged with Diamond T under the ownership of White Motor Co. of Cleveland.