

A black and white photograph showing two men in a workshop or garage. On the left, a man with dark hair, wearing a light-colored jacket over a dark shirt and tie, is pointing towards the right. On the right, a man with light-colored hair, wearing a dark suit and a patterned tie, stands with his hands in his pockets, looking towards the first man. In the background, there are industrial structures and a window.

John Z, the DeLorean and Me

...tales from an insider

By Barrie Wills
Foreword by Ed Lapham

**FREE
CHAPTER ONE
PREVIEW!**

Now available
from
*deLorean
garage*

Contents

Preface.	4
Foreword by Ed Lapham	5
Prologue	6
1 Early Days	9
2 Starting Business	18
3 Increasing Manpower	46
4 Extraordinary Measures	51
5 The Media, Myths & Fables.	62
<i>Color Salon 1 appears after Page 64</i>	
6 Design, Engineering & Sourcing	70
7 Complications & Distractions	96
8 New Faces & Responsibilities	109
9 Special Projects	115
10 Production at Dunmurry	120
<i>Color Salon 2 appears after Page 128</i>	
11 More Complications	131
12 Routine Matters	142
13 Twin-Turbos & Bad Vibes	154
14 Future Products.	161
15 Concerns & Worries	167
16 Crisis Time	171
<i>Color Salon 3 appears after Page 176</i>	
17 Receivership	177
18 More Extraordinary Measures	183
19 Rescue Bids	192
20 Cock Up Or Conspiracy?	214
21 The DeLorean Option.	218
22 Liquidation & Closure	227
Epilogue	241
Addendum.	242
Cast of Characters.	315
What They Did Next.	321
The DMC-12 Quiz	323
Acknowledgements.	330
Bibliography	332
Index	333

Early Days

Meeting the Great Man

In September 1978 I was 'between jobs', having resigned at the end of February from the board of Reliant Motor Company where I had been deputy managing director. Reliant was then a 2,000 employee specialist vehicle manufacturer based in Tamworth, Staffordshire, in the UK. I had resigned in the wake of an unwelcome takeover by a company called Nash Securities the previous year.



Princess Anne tours the Reliant car assembly plant in July 1975

The board had attempted a management buyout and failed, and the new owners and I proved incompatible.

The company was best known for the Scimitar GTE, the world's first sports estate car, beloved of Her Majesty the Queen's daughter, Princess Anne. Much later, the brand was to become even better known for its three-wheeled vehicles immortalised by the BBC's TV comedy series, *Only Fools and Horses*. Reliant produced 20,000 vehicles a year, if one took into account their contract for the Reliant developed Otosan Anadol car built by the Koc Group in Turkey.

I had done the rounds of the executive search consultancies, turned down one job offer, and for months been encouraged by Lotus Cars to join them. Out of the blue, I received a call from a man called Myron Stylianides. He told me he



Myron Stylianides pictured in 1979 in his Dunmurry office.

was a vice president and director of personnel of the newly created DeLorean Motor Cars Limited. I was invited to meet his boss, John Z DeLorean, in Belfast.

After the first meeting on 11 October 1978, I was offered the role of director of purchasing, which I turned down, even though the job had great appeal. For several years, I had been a student of DeLorean's achievements as the youngest ever vice-president of General Motors (GM) and the creator of the Pontiac GTO, followed by his resignation from GM. For the past months I had read about his attempts to fund his car project and speculation on who was to be his choice of managing director. My reason for the rejection was a concern about moving my wife and two young daughters to Northern Ireland during the height of 'The Troubles'.

An improved offer followed over the phone, which I also rejected. Next came an invitation from Myron to a second meeting in Belfast on 16 October 1978, as John Z had 'sorted out a solution'.



Press speculation in 1978 about former British Leyland and Hyundai boss George Turnbull

The Second Meeting

This meeting took place at The Old Inn to the north of Belfast in the village of Crawfordsburn - a location that fitted Hollywood's image of rural Ireland - with its stone walled thatched cottages and narrow lanes. There, we had lunch together - not just John Z and me - but with Mrs DeLorean in company. At 28 years of age, Cristina Ferrare was 25 years younger than John and a mere eight years junior to me.

John Z's solution was typical of the manner in which he later addressed other contests he felt he needed to win. Another increase in salary, of course. But he had not



The Old Inn in Crawfordsburn, Co Down, Northern Ireland

finished. During the earlier visit, he had talked to me about the prospect of his engineering department, headed by Bill Collins - his long standing chief engineer - being located in or around Coventry. That way, he felt he could draw upon the wealth of engineering talent in what was then Britain's 'Motor City'.

DeLorean had learned that I had a good relationship with Lotus. In common with their founder Colin Chapman's number two, Michael Kimberley, I had been a Jaguar apprentice. John Z found out Kimberley had been trying



Cristina DeLorean celebrating the groundbreaking ceremony at the Dunmurry site on 2 October 1978

to hire me since I had left Reliant. He took me into his confidence about Lotus - that his alternative plan was to do a deal with them. He took a map of the British Isles out of his pocket and with a twinkle in his eye, asked with fake bewilderment, 'Tell me, Barrie, where are Belfast, Norfolk, and Coventry (my then home) on this map?' I showed him. 'Ah, so Coventry is about half way between Belfast and Lotus.'

Then - the *piece de resistance*! His solution to my dilemma was to ask me to establish a DeLorean purchasing office in Coventry and choose my own team from the Midlands automotive industry. This decision turned out to be a very sensible move that allowed the project to get off the ground with a running start.



Charles Keith (Chuck) Bennington pictured at Dunmurry on his first day as managing director on 26 October 1978

With Cristina staring deep into my eyes, I not surprisingly crumbled and accepted the job on one condition: that I should first meet the managing director designate, to whom I was to report, before confirming acceptance.

Charles K Bennington

My MD-to-be, Charles Keith Bennington, and I hit it off well at our first meeting on the very day the earth-movers moved onto the Dunmurry 'cow patch'. I asked Charles what I should call him and he gave me a choice - CK, Charles or Chuck. I chose Chuck. We both started work on 26 October 1978.

The fair-haired, bearded Charles Bennington reminded me initially of Kirk Douglas playing the part of a swarthy Viking chieftain, wearing a black roll-neck sweater and a tweed jacket. He quickly became Chuck not only to me but to the other departmental directors, CK to others. He was for ever Mr Bennington to the secretaries and other female staff, who were always formal and respectful when addressing the directors. All a little old fashioned, in the nicest of ways, with no hint of the Germaine Greer-style feminism that was increasing its influence on society at that time. This custom was only one of a number of delightful examples of the natural courtesy of Ulster folk at work. No one was instructed how to address the 'bosses', the formalities just seemed to come naturally to people, particularly the ladies.

The GPD Contract(s) - Act 1

On 9 November 1978, John Z summoned Chuck; the classically dressed, cigar smoking Dick Brown - DeLorean's vice president sales and marketing based in Garden Grove, Orange County, California; the ultra serious Buck Penrose - an ex-Booz Allen & Hamilton executive, who was acting as John Z's director of planning; and me to Lotus at Hethel in Norfolk. We were to meet Colin Chapman, chairman of Group Lotus (known to those few extremely close to him as 'Chunky'); Michael Kimberley, his managing director; and Fred Bushell, Chapman's

Barrie Wills' view of the gathering at Ketteringham Hall, Hethel, November 1978. From left: Chuck Bennington, Bill Collins, Colin Chapman, John DeLorean, Fred Bushell, Mike Kimberley



finance director and main confidant. Bushell had joined a fledgling Lotus at Hornsea, Essex in January 1958 after a period working in a local accountancy practice. I had made many visits to Hethel but it was my first since joining DMCL. John Z's long-serving engineering director, Bill Collins, was already located there with his small team of engineers, using the former chapel of Ketteringham Hall as their short-term office.



A dark haired John DeLorean with Bill Collins to his right with the first DeLorean concept/demonstrator, circa 1976

We met at 9am in a large, somewhat stuffy, sitting room in Ketteringham Hall. It struck me as being the most unlikely of settings for a business meeting, almost verging on the ludicrous. Chapman and DeLorean were sat at the head of the room in rather grand armchairs, each side of an unlit fireplace, exuding something of the appearance of a pair of imperial heads of state. Bill and Chuck sat to their right, Mike and Fred to their left. The rest of us assembled almost classroom-like, facing them from a mix of sofas, armchairs, and dining room chairs, in a futile attempt at comfort. I remember an enthusiastic Buck Penrose taking a photograph or two. To say the meeting was informal is a massive understatement. As it turned out it was totally unnecessary for anyone other than DeLorean, Chapman and Kimberley to have attended. No one else uttered so much as a word!

Chapman opened the meeting (this was his entire contribution to the proceedings) by asking Kimberley to report on Lotus' assessment of the concept car/prototype the two had driven in Nevada on 26 September. It was not flattering, much to Bill Collins' unexpressed but obvious annoyance. Lotus' main, justifiable concern related to the planned use of the totally unproven Elastic Reservoir Moulding (ERM) composite as a structural material for the car's underbody and the absolute likelihood, as they saw it, of the car failing the Federal crash tests. What Chapman and Kimberley saw as a risk-free alternative was a Lotus-style backbone chassis. Kimberley proposed this be incorporated into the design - along with the adoption of Lotus' Vacuum Assisted Resin Injection (VARI) composite system for the understructure of the body. VARI was a relatively recent development, largely the brainchild of Lotus' aerodynamics specialist Peter Wright. It had followed Lotus' late entry into hand-lay composites production compared to their competitors Jensen and Reliant. Indeed, my former colleague at Reliant, Ken Wood, had good reason to claim he 'taught Lotus all he knew'. After Chapman had asked Reliant's managing director Ray Wiggin for help, Ken had assisted Lotus to take hand-lay moulding in-house from their then supplier Bourne Plastics.

Kimberley should have stopped there but 'went commercial' and said the DeLorean would cost more to build than an Esprit - totally ignoring economies of scale it would enjoy, compared to the hundreds a year volumes of the Lotus model.

John Z seemed totally unfazed by it all, but said a decision on Lotus' recommendations should await the findings of Grumman Aerospace, who were soon to present the results of their computerised crash simulation of the car - a major technological advance in the late seventies. It was agreed that Grumman should be asked to visit Hethel as soon as possible, so that their findings could be presented to both the Lotus and DMC teams.

At that point, DeLorean and Chapman broke away into an anteroom for 'private discussions', leaving the rest of us



*Lotus managing director,
Michael (Mike) Kimberley,
pictured in 1982*

rather in the lurch and wondering what on earth we would do next. Mike Kimberley and I decided to do something constructive and go to lunch in Norwich.

Intermission

It had been only a few weeks since Mike Kimberley and I had last met. That was at the London Motor Show, when he and Chapman were still trying to hire me. Then, he was conscious that he was unable to present me with an attractive enough remuneration package, so dependent were Lotus directors and executives on the impossible-to-achieve bonus scheme dreamt up by Fred Bushell and Chapman. Tony Rudd, Lotus' director of engineering, had advised me not to rely upon the non-existent bonus as any form of top-up for what was an uncompetitive base salary, compared to what I had made at Reliant.

Knowing my deal with DeLorean had to be better than anything Lotus had been able to offer, Mike was particularly keen to find out details of the agreement I had reached with John Z. I resisted his efforts and forced him gently off that subject and onto the one that I wanted to explore. I asked him to outline the way in which Lotus were going to handle the engineering and development contract in the event that, as Chuck and I were beginning to suspect, it was awarded to them. I knew that Lotus' manpower was limited - especially if, as anticipated, they were to continue with their own product development programme in parallel.

I asked Mike to describe the organisation he would be putting into place. To my surprise he had anticipated this question as he swiftly pulled a sheet of A4 paper from his inside jacket pocket. On it was a handwritten organisation chart. At the top - as chief engineer - there was no name. Below it was a family tree of five branches. To the left there was a name - Chris Dunster, who I was told was an excellent young engineer - and that was it. One person! The rest of the positions were blank.

*Head of the DeLorean
DMC-12 engineering
team and former Lotus
engineering director,
Colin Spooner, pictured
in retirement in 2013*



My amazement was instantly evident. In response to my shock, Mike stressed he was close to bringing back to Lotus one of his most able former engineers. This turned out to be Colin Spooner - discussions with whom were clearly well advanced - as he arrived within a couple of weeks from Lucas Marine. There were also other appointments to come, I was told.

I had picked at my lunch as my appetite had all but disappeared and by this stage it was time to get back to Hethel, so Mike dropped me off at Ketteringham Hall before returning to his office at the factory.

Over the next few weeks, Lotus' senior management salary structure was revised upwards significantly, so concerned were Chapman and Bushell that DMCL should not succeed in poaching any of their top management. That said, Kimberley never thanked me for being the catalyst for his generous rise.

The GPD Contract(s) - Act 2

On arrival at Ketteringham Hall, I decided to seek out Bill Collins, in order to get a feel for the strengths of his team and to establish how he planned to integrate with Lotus and how he was to supplement Lotus' apparent meagre resources. At that time, Bill had only four engineers with him in Hethel. One was Alan Cross, an expatriate Brit, who had learned his trade at Ford's UK product development centre at Dunton, Essex. The others were the ebullient and extravagantly dressed Marshall Zaun; and two other very pleasant Americans by the name of Joe Sahutski and Steve Matson. Steve was Collins' legislation guru. There was also talk of an ex-GM production guy by the name of Terry Werrell, but, to my knowledge, we saw nothing of him.



Malcolm Bricklin's gullwing-doored 'safety car' as seen in this photo from its sales brochure

Zaun had joined DMC from Chevrolet but Alan Cross and Steve Matson had worked for Malcolm Bricklin's Canadian car manufacturing company. This was an early seventies project that was funded by the State of New Brunswick Government. The Bricklin car, styled by an American called Herb Grasse, was a composite bodied, two-seater, gullwing-doored sports model, marketed as a 'safety car'. It was a brave effort that was under-capitalised. It ran out of cash and left a multitude of creditors. Sound familiar?

I entered the former chapel at Ketteringham Hall to find Bill all alone at a table with his head in his hands poring over a multi-paged document. This, it turned out, he had just received by fax from New York. 'What's that, Bill?' I

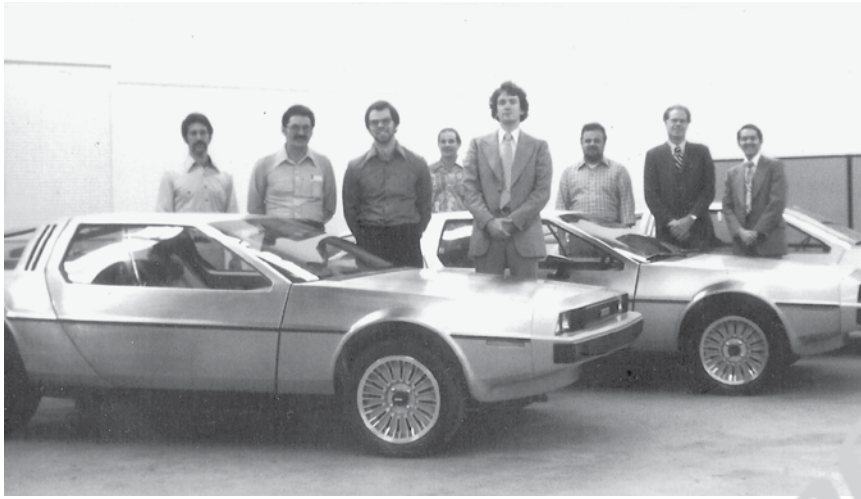
asked innocently. Bill replied glumly that it was a contract that provided for Lotus to have sole responsibility to engineer and develop the car and that, effectively, he was out of a job.

As far as I am aware, this was the first sighting in the UK of the completed GPD contract. Quickly noting that one of the parties to the contract was DMCL, I told Bill that, as director of purchasing, I was in charge of contracts and I should be the one to read and absorb the content and to take it into my possession.

On reading it, to my amazement it was clear that a sum of \$18.5 million was to be paid up front to the Swiss-based GPD Services, whoever they were, to secure the services of Lotus Cars Limited and Colin Chapman, as a named individual, to engineer and develop the car. Quite a 'Golden Hello', I thought! In addition, the contract made it clear Lotus were to be paid over and above this amount for all the work undertaken in fulfilling theirs and Chapman's tasks, with no fixed price in sight. That NIDA, the Northern Ireland Office and, indeed, Sir Kenneth Cork in years to come, considered this \$18.5 million to be anything other than a simple introduction fee plus a fee of \$5 million to use Lotus' VARI system, with nothing else in return, amazes me to this day. There was nothing in the contract to suggest the up front sum was to cover any work at all in engineering or developing the car by Lotus or anyone else. That was to be over and above the total of \$23.5 million.

Once I had read the contract in full - twice - I made a phone call to Mike Kimberley. It went along the lines of: 'Hey Mike, I am looking at a contract ... blah ... blah ... blah ... etc. What a fabulous deal. I can't believe what I am looking at. You must be grateful that I had not been given the job of negotiating on behalf of DMCL!' I said deliberately arrogantly, so as to goad Mike into a response.

Mike's reply took me aback. 'I don't think it's all that generous to Lotus!' he said calmly. Without giving anything away about my knowledge of the up front \$23.5 million, it became evident to me Mike was looking at a similar but different document, containing no reference to the up front sum. My guess was that it was a contract between the mysterious GPD (who I had assumed might be



The original DeLorean engineering team with the first two concept/demonstrators and the epowood model at the rear. Front left to right: Bob Shields, Herman Raschke, Tom Zink, Bob Manion. Rear left to right: John Tresler, Dick Weir, Bill Collins, Joe Sahutske

Chapman, and Mike thought could be John Z, I found out years later), acting the role of a sales agency, and Lotus.

I decided to say no more and simply reported my findings to Bennington. It was clear the contract I had confiscated from Bill was also news to Chuck. After I gave it to Chuck, that was the the last I ever saw of it until 2013, when I obtained a copy under the 30-year rule.

One of the subsequent claims was that GPD had been hired by Lotus to seek engineering contracts and as a result approached John Z to introduce the Norfolk company to him. During the project, amongst other papers, John Z gave me a bundle of original Lotus-related correspondence from 1975 and 76 - I assumed inadvertently. A letter dated 7 January 1976 from Bunkie Knudsen, John Z's mentor during his days with GM and by then chairman of White Motor Corporation, the truck manufacturer, provided an introduction to Sir Leonard Crossland, formerly chairman of Ford, and then a non-executive director of Lotus. Sir Leonard had given Bunkie a letter from Michael Kimberley to him dated 15 December 1975 describing Lotus' 907 engine. A second letter from Fred Bushell to John Z directly, dated 15 October 1976, refers to a possible acquisition of Lotus (referred to as 'the matter' and confirmed to me as such by Lotus' Warren King in 2014). All two years and more before GPD's arrival on the scene. This all demonstrates - at least to my satisfaction - there was never any need for GPD to 'introduce' Lotus to DeLorean.

At The Court of 'King' Colin

13 November 1978 was completed by John Z and his team being entertained by Colin Chapman, in company with Fred Bushell and Mike Kimberley, to supper at the Doric Hotel in nearby Attleborough.

The owner of the Doric and 'mine host' Arthur 'Benny' Benbow and one of his daughters kept us all, Bushell and Kimberley included, very well entertained by their considerable charm and patience, whilst we waited upwards of an hour after the allotted time for Chapman to grace us with his presence.

The scene of the infamous November 1978 supper, the Doric Hotel, now Attleborough Town Hall, Norfolk





Bill Collins with the "DeLorean Safety Vehicle" - hence the DSV on grille - epowood styling mockup at ItalDesign circa 1975

When Chapman arrived it was with a flourish of an entry but without the hint of an apology, no doubt having satisfied himself he had demonstrated his importance, particularly to John Z. To us, he made a fool of himself, and my respect for him, which had been considerable up to that point, diminished instantly, never to recover. Fortunately, after such a shaky start, the excellent meal, wine, and conversation that followed, more than made up for the Lotus chairman's gross discourtesy.

The Departure of Bill Collins

Bill Collins was to resign soon after this fateful November 1978 day, joining American Motors as director of product planning in the following spring. Cross resigned within days of Bill's departure but Zaun, Matson and Sahutske stayed on for several months. They worked closely with Lotus' engineers as they progressed the chassis design but found it difficult to relate to them, despite the Americans' considerable best efforts. They too were to resign and return to the USA within twelve months.

The McKinsey Report

Back in Dunmurry, following my disclosure of the GPD contract to Chuck Bennington, he returned the compliment by allowing me to read a report written by a team of McKinsey consultants dated 19 July. This had

been requested, at short notice, by the Northern Ireland Department of Commerce, during the 45-day assessment of the project. The team was led by a 38-year-old former Charterhouse pupil and Cambridge University graduate by the name of John Banham.

The report highlighted the declared high-risk nature of the project and included financial and business assessments of a number of scenarios. The first was based on the premise that DMCL achieved its projected sales volumes of 20,000 per annum by the third year of operation. The second assumed a lower sales performance of 15,000 per annum by the fourth year of operation. This was then subjected to a production start-up delayed by six months, labour productivity of 50 per cent of that planned, warranty costs higher by \$200 per unit and a reduced efficiency of working capital management. The first scenario confirmed a nice return on the Government's investment. The second scenario predicted a company that would struggle financially and be unprofitable.

After the company entered receivership, Banham presented himself to the press as the one person who had warned of the financial disaster to come. The warning that James Callaghan's Government had ignored - surely making him a candidate for a knighthood. Posts that he went on to fill during his career after his prediction of DMCL's failure included director-general of the Confederation of British Industries (CBI), the chairman of Tarmac, Kingfisher, Johnson-Matthey, West Country Television, National Westminster Bank, National Power, ECI Ventures, Whitbread. On the other hand, of course, it could be argued, Sir John Banham predicted its success.

The Grumman Visit to Hethel

Another key visit to Lotus by John Z coincided with the keenly awaited Grumman presentation on 8 March 1979, led by their sales chief Arthur (Art) August. This was extremely professional and state of the art (no pun intended!) for that time. I attended with John Z and Bennington.

After a lengthy preamble, it demonstrated that, if ERM was incorporated into the production design, it was a crash disaster waiting to happen. The presentation

continued with a status report on the development of the cryogenically twisted torsion bar, which we learned for the first time that its development had been committed to Grumman before the project came to the UK. Finally, they put forward a proposal through which they would develop a computer programme that would determine how ERM could be fully developed to fulfil crash test demands. The cost in dollars of this was such that I think Bennington and I immediately obliterated it from our memories. At this stage, John Z thanked Art for the presentation and left the room with Chapman, without another word.

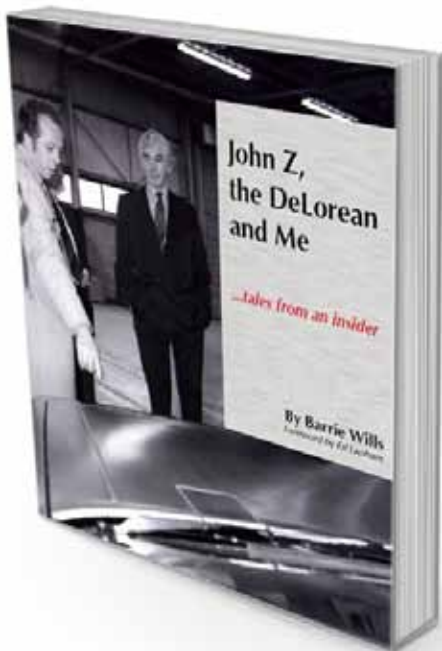
Chuck and I both assumed that Chapman had already convinced John Z that, due to the constraints of timing, he should take the proven route and adopt a Lotus-style backbone chassis and a VARI underbody for the car. This was on the assumption that ERM would not be proven in time for production, if ever. By now, I had researched that the

British composite specialists, BTR Permal, had also taken a licence for ERM, some years earlier, and had dropped the process in favour of SMC (sheet molded compound) and DMC (dough molded compound) alternatives.

Bennington and I excused ourselves for a brief consultation outside the room. 'What do we say to them, Chuck?' I asked him. 'What's this we b**l s**t, *kemo sabe*?' he said (using the famous nickname used for the Lone Ranger by his sidekick Tonto), before adding 'I guess you're in charge of purchasing' - and walked off. I returned to the room and, in what I hoped was my most diplomatic manner, broke the difficult news to the Grumman team that work should continue on the torsion bar development but that Grumman's activity on an ERM underbody was to be suspended and was probably at an end. Art was clearly and understandably devastated. I think I had blown his annual research and development budget in one sentence!

The front entrance of Group Lotus headquarters, facing the test track and airstrip - not the Potash Lane roadway at the rear





My friend, I hope you enjoyed this first chapter of *John Z, the DeLorean and Me ...tales from an insider*. If you did, I am certain that you will enjoy the rest of the book, as well. If you haven't already done so, please sign up for my mailing list at DeLoreanGarage.com so I can keep you informed with updates and offers on the book.


Barrie

ISBN: 978-0-9856578-8-8 • 392 pages, 7.25" x 9.5", hardcover

Now shipping! Order your copy from

*deLorean
garage*

amazon

ebay

John Z, the DeLorean and Me ...tales from an insider

Barrie Wills book is an **insider's view as the longest serving employee**, director of purchasing and **last CEO of the factory** in Northern Ireland.

It is a near **history of the DeLorean project** covering the **hard work, effort and inspiration** by so many **written about for the first time**.

It is illustrated by **hundreds of photographs**, many **for the first time**, showing why so many employees considered the project the **best of their working lives**.

It heralds the **record 28 months** in which the car was **engineered, developed and built**, whilst a **state-of-the-art factory was designed, built, equipped and staffed** in **West Belfast** at the height of *The Troubles*.

It recognizes the **pioneering of advanced technology** in Europe and the introduction into the UK of **simultaneous engineering** - now the global norm.

It introduces the good humour and camaraderie within the project's different nationalities and between its workforce, **drawn evenly from the Loyalist and Republican factions**.

The **fine detail** of the receivership and what the receiver called the **first sensible business plan he had seen** are disclosed.

It highlights what might have been had a restyled **Triumph TR8** (rebranded as **Healey 3500**) been built **alongside the DeLorean** rebranded as the **Healey Gullwing**.

It describes how the **bad listener** in **Margaret Thatcher** thwarted that British rescue through her **habitual micro management**.

It explains how the inspirational but maverick **John Z DeLorean destroyed** the very project he created, **leaving the people of Northern Ireland behind as the real losers**.