The British Motor Corporation Ltd.
This brief history of
The British Motor Corporation Ltd.
is based on an address originally given to
The Society of Investment Analysts

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The British Motor Corporation Ltd.

The British Motor Corporation was formed in February 1952 by joining the interests of The Austin Motor Co. Ltd. and those of The Nuffield Organization.

For many years the two companies were energetically competitive with each other, and their interests and activities frequently overlapped.

A brief outline of their histories follows.

The Austin Motor Co. Ltd.

Although the first Austin-designed car was shown at the Crystal Palace Exhibition in 1896, it was made by the original Wolseley Motor Company. The Austin Motor Company was founded in 1905, on a site of 2½ acres, by Mr. Herbert Austin (later Lord Austin of Longbridge). By 1912 Austins were making nearly 1,000 cars a year. In 1914 the factory had achieved an output of 1,500 cars per annum, with a personnel of 2,000, and the Company was reconstituted with a working capital of £250,000.

During the First World War Austins produced shells, aero engines, and aeroplanes, and when the war ended the factory had greatly increased in size. Plans were formulated to produce a 20-h.p. passenger car by what were at that time quantity production methods at a rate of 500 cars per week, but, due to the recession which set in at the end of the war, by 1921 the Company was in serious financial difficulties and a receiver was appointed. Paid-up capital at this stage was £3,327,097.
In 1921 a medium-sized 12-h.p. touring car was launched and found a ready market at a price of £550. It established the name of Austin for dependability.

This was quickly followed in 1922 by the Austin 7-h.p., designed by Mr. Herbert Austin, providing the real answer to the problems of that time by offering reliable motoring to thousands of people in the lower income groups at a price which they could afford. The first 7-h.p. models were exhibited at the Motor Show in 1922 at a list price of £225, and soon the factory was being taxed to the limit to cope with the orders for them.

![The original Austin 'Baby' Seven of 1922 brought motoring within the reach of many for the very first time.](image)

In 1925 and 1926 extensions to the factory increased the covered area to 62 acres on a 220-acre site, giving employment to 8,000 workers and producing 25,000 cars annually.

By 1930 output had reached 1,000 cars per week, and the range of vehicles made now comprised 24 distinct models, the cheapest being the 7-h.p. tourer selling at £130.

By the commencement of the Second World War the factory buildings covered over 100 acres, and included the management of an entirely new factory for the Government for the production of aircraft and aero engines. Almost the whole of the plant was turned over to the production of armament requirements, trucks, and aircraft, etc., and at the height of the war over 32,000 personnel manned the Austin production front.

When the war ended in 1945 a range of four models—8-, 10-, 12-, and 16-h.p. cars—was concentrated upon, and, due to the fact that most of the jigs and tools for these models had been carefully preserved at the commencement of the war, Austins were among the first to be able to offer cars to the buying public to replace those worn out by five years of war.

At the same time modern high-production machines and conveyorized assembly lines were installed to deal with much higher outputs of up to 3,000 per week.

In 1926 it took 16 men a week to build one car; by 1946 this was accomplished with nine men, due to modern equipment.
The Car Assembly Building at Longbridge. Opened in 1951 and recently extended, it has an output potential of over 10,000 vehicles per week.

By 1950 production had risen to 157,628 per annum, increasing to 162,079 in 1951.

Thus within five years from the end of the Second World War production had increased by over 50 per cent. on pre-war output without any significant change in factory acreage or in the number of employees. Capital expenditure on plant and equipment had exceeded £1,200,000.

Austin response to the challenge of the immediate post-war years was dynamic. The year 1946 saw the production of the millionth Austin and the establishment of Austin Motor Export Corporation as the spearhead of an intensive drive for more exports. Four years later, in 1950, Austin built their 250,000th post-war vehicle for export and in 1953 the two-millionth Austin was produced. Thus it took 39 years to build the first one million vehicles, but only seven years sufficed for the building of the second million.

The years 1951 and 1952 saw new car assembly and body paint shops built. The most modern of their kind, they had an output potential of one vehicle every 45 seconds and made the maximum use of electronic controls for the automatic feeding of parts to the four assembly tracks. Capital expenditure on these projects exceeded £2,000,000.

By 1952 the Austin Motor Company factory site covered 250 acres, and over 19,000 people were employed in producing a range of models that had gained world acceptance. Also by this time the Company had earned, post-war, over £150,000,000 in foreign currency. Yet even further development lay ahead when the capital of the Company was increased to £7,500,000 in November 1951.
The fabulous Austin Mini. Introduced in 1959 with its Morris Mini twin, it is so successful that today’s output of over 5,000 per week is being increased to 8,000.

The Austin–Nuffield merger first mooted quite early in the history of the two companies was revived in 1949 and became final in July 1952, when The British Motor Corporation came into being. Austin total annual production at this time was 147,833 vehicles.

The Nuffield Organization

When Herbert Austin started his company in 1905 William Morris had been running his own business for some 12 years building bicycles and subsequently motor-cycles.

In 1910 he started work on the design of his first Morris-Oxford car, which was announced at the 1912 Motor Show at Olympia, and the first car was actually produced at premises in Longwall, Oxford, in April 1913.

A company named W.R.M. Motors Ltd. was formed in August 1912 with Mr. W. R. Morris as Managing Director and sole ordinary shareholder, apart from a close personal friend who also had a few shares.

The first Morris-Oxford was a two-seater 8·9-h.p. car and was priced at £165. The engine and gearbox were made by White and Poppe of Coventry, axles were made by E. G. Wrigley & Company, and the body was supplied by an Oxford coachbuilder.

Unlike Austin and most other car manufacturers, Morris had no intention of making component parts; these were all procured from outside suppliers and only the assembly was undertaken at Cowley.

During the war years 1914–18 the factory turned over to the manufacture of mortar bombs, mine sinkers, etc. They also managed
to produce about 1,300 cars during this period. Profits averaged just under £17,000 a year, but went back into the business, so there was little cash available to get back to car manufacture.

In July 1919 W.R.M. Motors Ltd. went into liquidation and the successor company, Morris Motors Ltd., was incorporated to take over the assets.

It was decided to drop the 8-9-h.p. car and aim at the larger-scale market with the 11-9-h.p. Oxford and Cowley models. By July 1920 sales had reached a record of 280 cars a month.

Then came the post-war slump and the collapse of the market, and sales by January 1921 had dropped to 74 cars a month. It is well known how, against the advice of his executives, Morris drastically reduced the price of his cars and saved the day for Morris Motors.

In 1922 Morris purchased the Hotchkiss factory to assure the supply of engines and gearboxes. He had already acquired a radiator manufacturing company at Oxford and a body works at Coventry.

Within six months of taking it over the production of engines was increased by 66 per cent., and in 1923 an extension to the factory was put in hand, doubling its capacity. In 1939 the factory had a capacity of 4,000 engines per week.
Towards the end of 1923 Morris purchased the assets of E. G. Wrigley & Company, who were in the hands of the receivers, for £213,044, and turned over the factory to the production of trucks and commercial vehicles under the name of Morris Commercial Cars Ltd. Later, new premises were acquired at Adderley Park and the business transferred to these premises.

A new company was registered on 29 June 1926, called Morris Motors (1926) Ltd., to acquire all the interests of Morris Motors Ltd. and the engine, radiator, and body factories with a capital of £3,000,000 in cumulative preference shares and £2,000,000 in ordinary shares, all the ordinary shares being owned by Mr. W. R. Morris, who therefore retained full control.

In 1928 Morris produced the first Morris Minor to challenge the market which Austin had enjoyed up to that time. The selling price was reduced in 1931 to £100 for a two-seater. This was the first and only £100 car.

In July 1930 the M.G. Car Company was registered. In 1926 the success of M.G. sports models necessitated a special factory being built at Cowley. Later, larger premises were acquired at Abingdon, which today is devoted to sports cars only and has an output of 1,000 cars per week.

Other businesses acquired by Morris were:

- Hollick & Pratt (now Morris Motors—Bodies Branch).
- Osberton Radiators (now Morris Motors—Radiators Branch).
- S.U. Carburetter Company.

In 1927 Wolseley Motors Ltd. In 1938 Riley Motors Ltd.

*The one-millionth in the post-war series Morris Minor 1000 was produced in 1961. This made the series the most popular for any car ever produced in Great Britain.*
Hailed by many as the most brilliantly engineered car of today, the Morris 1100 has revolutionary Hydrolastic suspension, front disc brakes, transverse engine, and front-wheel drive.

In 1939 car output had reached 120,000 vehicles per annum and by May Morris had produced their millionth car.

Also in this year Morris Pressings Branch (later Nuffield Metal Products Ltd.) was established in Birmingham, adjacent to the Wolseley company, to ensure supplies of metal pressings and, later, complete bodies.

In the Second World War the Nuffield Organization changed over almost completely to armament work. They were already producing aero engines and tanks at the Wolseley Works. The repair of fighter aircraft was undertaken and No. 1 Civilian Repair Unit, R.A.F., was established at Cowley, while Coventry turned over to Bofors guns. The production of motor-cars practically ceased, but recommenced seriously in the middle of 1945 with the post-war Series E Eights and Series M Tens.

In 1948 the production of Wolseley cars was transferred to Cowley and the plant turned over to the production of tractors and transmission units. Also the production of Riley cars was transferred to the M.G. Works at Abingdon. Total production had now reached 78,000 vehicles per annum.

In this year Lord Nuffield acquired the Victoria Park Racecourse, Sydney, Australia, and plans were put in hand for a factory to assemble bodies and chassis.
In 1952, when the amalgamation with Austin took place, The Nuffield Organization comprised the following companies:

- Morris Motors Ltd.
- Morris Commercial Cars Ltd.
- Nuffield Exports Ltd.
- Nuffield Metal Products Ltd.
- The Nuffield Press Ltd.
- The M.G. Car Co. Ltd.
- The S.U. Carburettor Co. Ltd.
- Wolseley Motors Ltd.
- Nuffield Australia Pty. Ltd.
- Morris Motors (Canada) Ltd.
- Riley Motors Ltd.

The total production had reached the figure of 133,779 vehicles for the year.

The Austin-Morris Merger

The merger of the Austin and Nuffield interests in 1952 created the largest motor-manufacturing business in Europe and the third largest in the world.

A new company, The British Motor Corporation Ltd., acquired the entire capital of Morris Motors Ltd. and The Austin Motor Co. Ltd. in exchange for its shares.

The £14,000,000 capital of the new company was divided into £9,250,000 in preference shares and £4,750,000 in ordinary shares. Shortly after the merger the capital was increased to £33,372,925 by increasing the issued ordinary shares to £24,131,799.

On 30 September 1953 the authorized capital was further increased to £36,250,000 to enable shares to be issued to acquire the ordinary capital of Fisher & Ludlow Ltd.

The completely new B.M.C. commercial vehicle and tractor factory at Bathgate. Though work on the 260-acre site did not commence until June 1960, the first vehicles were built by October 1961.
An architect's model of the new B.M.C. factory at Kirkby, Liverpool. Already in operation, this new factory is responsible for the production of Bendix Home Appliances.

The acquisition of this business, one of the remaining independent body-manufacturing concerns, ensured a source of supply for a proportion of the bodies for the Corporation, the remainder being obtained from Nuffield Metal Products Ltd. and The Pressed Steel Co. Ltd.

It is now generally arranged that those bodies assembled and finished into complete cars at Cowley are obtained from The Pressed Steel Company, and those which are assembled and finished at Longbridge are obtained from Fisher & Ludlow or the Austin Body Works, the Morris Minor body production remaining in Birmingham at Nuffield Metal Products.

Various expansion plans launched by the Corporation in 1956 and 1959 resulted in extensions and modernizations of existing plant and the erection of entirely new factories sited at the request of the Government in areas of high unemployment. The largest of these new factories is at Bathgate in Scotland, where the production of commercial vehicles from 2 tons upwards and tractors has already commenced. It is anticipated that the total weekly production potential at Bathgate by early 1964 will reach 1,000 trucks and 750 tractors.

A new factory has also been erected at Kirkby, near Liverpool, for the production of Bendix Home Appliances, and at Llanelli in South Wales another new factory has been built to supply body pressings and assemblies.

All this investment and expansion has been planned to give the Corporation a potential annual output of 1,000,000 vehicles. The annual production for 1960 was 669,122 vehicles.
In December 1954 the authorized capital of the Corporation was increased to £40,000,000 and again in August 1955 to £42,000,000. The present issued capital is £51,363,912, comprising £41,391,622 in ordinary shares and £9,972,290 in preference shares.

There are now 35 subsidiary companies and three associated companies (see list on page 20).

Besides the various British companies, B.M.C. have companies registered in Australia, Canada, U.S.A., South Africa, Rhodesia, and Sweden. The largest of these is in Sydney, Australia, where there is a complete manufacturing unit recently completed at a cost of £13,000,000 and producing cars with over 60 per cent. of the component parts manufactured in Australia.

At Blackheath, near Cape Town, in South Africa is a plant for the assembly of several B.M.C. cars from parts imported from the parent company. This plant was extended by 90,000 sq. ft. in 1961 to cope with additional models.

No cars are manufactured or assembled in the U.S.A. or Canada at present, but we have selling and service organizations in both these countries.

The advantages of the merger briefly are as follows:

(1) Research and Design. Concentration of research and new development, and standardization and communization of design.

(2) Supply. Creation of the large volumes necessary to make bulk buying possible and thereby reduce material costs.

(3) Manufacture. Communization justified the installation of high-production machinery and reduced labour costs.

(4) Finance. Resources could be pooled to provide the capital necessary for expansion.

(5) Sales. The making available of additional sales outlets open to each company. The offering of a more comprehensive range of models, and making it possible to combine the overseas activities of the two organizations in certain countries.

(6) Service. The standardization and communization of components reduces the number of parts to be stocked, enabling better supplies of service parts to be carried by Dealers and Distributors in both home and overseas territories.

(1) Research and Design

After the merger a three-year plan was put in hand to standardize engine, gearbox, rear axle, and front suspension units and to communize them to the various models produced by the Group. As a result, we finished up with four basic engine and gearbox units and the same number of basic rear axle and front suspensions. The effect of this was that large quantities of each type of basic unit were required and plans could be made to manufacture them by the most up-to-date methods.
The B.M.C. design headquarters at Longbridge, covering over 57,000 sq. ft., was opened in April 1962. All B.M.C. car and commercial vehicle designs are controlled from here.

The quantities of basic engine and gearbox units now required per week are 21,600, as follows:

- 850 c.c. Transverse 5,500 4-cylinder
- 1100 c.c. Transverse 4,500 4-cylinder
- 1100 c.c. Standard 4,000 4-cylinder
- 1500 to 1800 c.c. Petrol and Diesel 5,000 4-cylinder
- 2·2-litre Petrol and Diesel 600 4-cylinder
- 2·9-litre Petrol 700 6-cylinder
- 4·1-litre Petrol 300 6-cylinder
- 3·4-litre Diesel 400 4-cylinder
- 5·7-litre Diesel 600 6-cylinder

Rear axles and front suspensions of similar sizes are required.

At the same time, all the other parts, whether made by B.M.C. or purchased outside, were commonized where possible. Examples are—steering gear, brakes, shock absorbers, electrical equipment, wheels, etc., right down to bolts and nuts.

Later, as new models were introduced, the body was treated in the same manner. A basic body shell is used for four or five different models, with different front and rear treatment. This has saved tooling and reduced manufacturing costs by enabling a large volume of basic body shells to be produced.

Tooling costs today are very expensive: to tool a new body completely will cost from £1,250,000 to £1,500,000, but by using a basic body with front and rear end variations the tooling for five models would probably not exceed £2,250,000.
A B.M.C. 14-station 'in-line' automatic transfer machine engaged on milling, drilling, reaming, and tapping engine cylinder and crankcase blocks. The machine completes 32 separate operations and is loaded and unloaded automatically every 60 seconds.

Although five different makes of car are produced from one basic body shell, to the non-technical person they do not look the same. Each has its own distinctive frontal treatment, badges, emblems, etc., different trimming, seating, and interior finishing, and different dashboard and instruments.

(2) Supply

Standardization has resulted in the Purchasing Department being able to order much greater quantities of each component, to select the most efficient supplier, or in some cases more than one supplier, and to obtain better prices from them because larger orders can be placed.

Before the merger each company in the two organizations purchased its own requirements. The separate Purchasing Departments have been retained, but a Central Control has been instituted to buy in bulk where the same component is used by two or three of our factories. Consumable stores are also purchased in bulk for the whole of the Organization, e.g. oil, petrol, paint, electric lamps and motors, tools, cleaning materials, rag, even down to toilet paper.

A few examples of the volume purchased of some of these goods may be of interest:

- Paint used per annum ........... 1,800,000 gallons.
- Leathercloth per annum ........... 5,000,000 yards.
- Carpet per annum ........... 1,350,000 yards.
- Fuel oil per annum ........... 15,200,000 gallons.
Average production material purchases are now running at over £3,500,000 per week, which illustrates how important the Purchasing Department becomes in a large organization such as B.M.C. and the necessity for a continual and close watch to be kept on buying prices. In a typical medium-sized 1½-litre motor-car the purchased material represents about 75 per cent. of the cost of the vehicle.

Considerable saving has been obtained as a result of the bulk buying of certain materials. Scrap and waste are being dealt with by a centralized Salvage Department in the same manner as the purchasing, with the object of obtaining better prices.

(3) Manufacture

The standardization of engines, gearboxes, rear axles, and suspensions manufactured in our factories has provided the volume and justified the capital expenditure to install the most modern high-production plant and machinery with a high degree of automation. All the major components of engines and gearboxes are machined on transfer machines and automated link lines in which the component is automatically fed into the machine and processed through as many as 36 or more operations and finally automatically ejected from the machine. Previously these 36 operations would all have been performed on individual machines. Now in many cases it is not necessary to have an operator at all but to have a maintenance man to watch that the machine is functioning satisfactorily.

As long ago as 1936 B.M.C. companies had built their own machines, and in 1950 this enterprise was again developed and a start was made on the building of transfer machines. This was because the Company could not get the British Machine Tool Trade at that time, to show any interest in them. We designed a number of standard units, beds, bed extensions, uprights, cutting heads, transfer gear, etc., and all our machines have since been built using these standardized units. The early machines required an operator at each end to load and unload, but over the years we have improved and developed them until some are fully automatic and require no actual operator.

The time cycles are such that, for example, we obtain a finished machined cylinder block or cylinder head per minute.

Standardization of smaller components also has enabled us to install similar high-production machinery with automatic loading and unloading devices. Standardization of the body shells has justified automatic welding equipment and assembly; automatic spraying units are also used for painting the bodies. To feed the large volume of raw materials and castings to the machining lines automatic delivery conveyors have been installed in many instances. Automatic feed conveyors are also used to convey materials from the stores to the final assembly tracks.
The results of the installation of this high-production machinery is that our labour costs have increased by not more than 30 per cent. of the costs ruling when the war ended, and in a typical medium-sized 1 1/2-litre car represent only 8 to 9 per cent. of the manufacturing cost. The labour which has been displaced by the automatic transfer machines has been more than absorbed in other parts of the factory to cope with our increased output. The total productive labour force in 1952 was 52,000; today the total labour force is 78,500, plus 6,500 overseas. Without automation it is doubtful if we would have been able to obtain the labour necessary to have increased our production to these volumes.

The 62.5 per cent. increase of labour since the Corporation was formed is related to the increase in production, which has risen from 278,840 vehicles in 1952 to 669,122 in 1960, and also includes our overseas factories, which have increased considerably over the period.

(4) Finance and Costs

Pooling the capital resources of the two Organizations has provided additional finance for the expansion of our manufacturing facilities, although a large proportion has been provided from ploughed-back profits.

Capital expenditure on new buildings and plant ran at the rate of £16,000,000 per annum for the last three years and is continuing at a very high level.

There are various other financial advantages resulting from the merger which are not so obvious, e.g.:

Better rates are obtained for insurance, due to the large volume;
Benefit is obtained from carrying a common stock;
Mechanized office systems can be installed and paperwork, forms, etc., streamlined and standardized throughout the Group;
A further advantage has been the installation of an electronic computer to take care of the whole of the wages payments for the Group, and control of stocks and production programmes and schedules.

From the Cost Angle. The advantages gained by the vast expenditure in new and highly mechanized plant, factory extensions, etc., are reflected in the way in which we have succeeded in keeping down our labour costs.

Before the war, in 1939/40, the labour cost for a medium-sized car was about £20—today it is £41 to £45, an increase of just over 100 per cent. Average weekly male wages in 1939 were not more than £5 per week; today the average male labour wage is £19 to £21, an increase of 300 per cent. The car of today also has many more refinements and accessories fitted as standard equipment than in 1939.
(5) Sales—Home and Export

Selling motor-cars differs considerably from marketing other products. It is not always appreciated that, in fact, motor manufacturers themselves do not sell to the public. With the possible exception of a few very large purchasers whose contracts are the result of special negotiations, all vehicles are sold through a distributive organization both at home and overseas, and usually the only control of this is by the agreement concluded between these Distributors and ourselves. The selection of wholesale Distributors, Dealers, and Sub-Dealers, therefore, is vitally important to a company like the British Motor Corporation, whose weekly totals of production are now 16,000 vehicles. This total includes K.D. shipments but excludes sets of components sent overseas to associate companies where the component set represents considerably less than a full complement of parts. The number of sets sent to Italy and Argentine and other countries but excluded on the Home basis could be in excess of 1,000 to 1,200 per week. One of the problems with which the whole of the Motor Industry is faced is that, in general, the capacity of motor manufacturers to produce vehicles and their ability to finance these operations have expanded more rapidly than the available capital in the retail side of the Industry.

Intimately connected with the question of selling motor-cars is the fact that Distributors and Dealers must maintain service throughout their territories and must be equipped with efficient repair shops and trained personnel and have facilities for storing the necessary replacement parts.
The Exhibition Hall at Longbridge where the complete range of Austin and Nuffield cars, light vans, and sports cars is on display. This magnificent hall, opened in 1956, is also used for trade announcements and shows for employees.

Distributors’ agreements specify the actual territory and the products for which they will be responsible and define the number of vehicles which should be sold in the territory in a given period. In exchange for the capital invested in the premises required for selling and servicing vehicles the Dealer Agreement gives the Dealer continuity and enables him to plan ahead with confidence.

It is probable that no other industry imposes such strict conditions on its wholesale customers as does the Motor Industry, but these are directed with the object of securing customer satisfaction and are, therefore, in the interests of the public as well as the Company.

In connection with export sales, one of the principal differences is that in many countries it is necessary to assemble the vehicles locally either for the advantage in the saving of transport costs or to meet the self-sufficiency ambitions of the country concerned in respect of motor-car manufacture. The selling of the complete vehicle differs very little from the requirements at home, except for the obvious changes in specification such as left-hand drive, laminated safety glass, special lighting specifications, etc., to meet the requirements of particular markets. But the loose parts for assembly, K.D. parts as these are generally called, present a different set of problems. Not only do fixtures have to be designed to meet the rate of building required, but personnel have to be trained at the factory in the correct method of assembly.

The biggest difference between home and overseas selling is in the matter of price control. In the home market each manufacturer
controls the price of his products under agreement and it is the Distributor’s responsibility to ensure that these prices are maintained in his territory while they are so controlled.

The advent of the Restrictive Trade Practices Legislation has had some effect on the methods by which this control is maintained, but not on the general position, which again is in the public interest because unrestricted competition would mean inadequate revenue to the Dealer to maintain sales and service facilities necessary for the customer’s satisfaction. On the other hand, in overseas markets there is normally no such price control.

In the U.S.A., for example, only a maximum price can be quoted and not a minimum price. Distributors in overseas markets have to build up their prices from the landed cost, which can also cover customs duties, bank charges, and other components of their cost, and they are usually free to establish both their retail prices and their margins, except in some countries, e.g. South Africa, where a price ceiling or a maximum wholesaling margin may be laid down. In overseas selling the manufacturer does have an agreement with his Distributor for purposes of continuity and through this frequently exercises some say as to what the retail price ought to be in a given territory.

At the present moment about 40 per cent. of cars exported by the British Motor Corporation are in the K.D. condition, and in the case of trucks the proportion is nearer 80 per cent. Reverting to the question of finance, difficult though it is for the home Distributor to meet the onerous requirements of selling and servicing a large volume of vehicles, in the case of the export Distributor there is the added burden of all the vehicles in the pipeline, i.e. in transit between Great Britain and the ultimate destination. It is, therefore, safe to assume that for any given volume of sales an export Distributor would require 2½ to 3½ times the working or stocking capital, even though his investments in fixed assets, such as buildings and equipment, would be very nearly the same as at home.

The business of exports, therefore, involves a great deal of legitimate and sound credit, much of which is handled through the right and proper channels of the London Confirming Houses and Merchant Banks.

In 1958 the British Motor Industry produced, for the first time, over a million motor-cars, without commercial vehicles, and of these about half a million were sold on the home market and half a million overseas. To maintain this rate of sales is not just a matter of high-pressure salesmanship, but one of considerable organization and selection—one point always having to be borne in mind: motor-car output cannot be stored for long. It is geared to rapid production and this in turn means rapid dispatch, otherwise the whole gigantic machine, which is indeed what a modern factory is, would grind to a standstill.
Stocks worth many millions of pounds in the parts division of B.M.C. Service Ltd. at Cowley make possible the prompt dispatch of parts to depots throughout the world.

(6) Service

After the merger it quickly became evident that the whole of the Service facilities of the Corporation hitherto maintained separately by Austin and Nuffield should be centred in one place. The importance of this became increasingly clear as the policy of common major components began to take effect. B.M.C. Service Ltd. was, therefore, formed on 1 April 1956 with a responsibility for ensuring that users of Austin and Nuffield vehicles throughout the world should be provided with the best possible after-sales Service.

This company is organized under a Managing Director, whose responsibilities cover both replacement parts and technical service activities world-wide. It is located at Cowley.

The replacement parts function buys, stocks, and sells over 100,000 different kinds of item to all U.K. and overseas markets, arranging distribution through 360 U.K. and 550 overseas Distributors, as well as through B.M.C. depots in Canada, Sweden, South Africa, Australia, and Rhodesia, and through special warehouses on both coasts of the U.S.A. These direct supply points in turn redistribute locally to many thousands of Dealers and Sub-Dealers.

Stocks of parts worth many millions of pounds are maintained at Cowley, and it is estimated that Distributors and overseas depots are currently carrying more than £20,000,000-worth. Cowley ships approximately 1,500 tons weight of orders for parts each week.

The technical service function is responsible for the standard of repair shop activity and facilities among all Austin and Nuffield
franchise holders. It has departments concerned with repair shop equipment and tool development, static and mobile schools for teaching Distributor/Dealer personnel how to maintain and repair Austin and Nuffield vehicles, and facilities for liaising between factory design/development/production functions and the Distributor/Dealer. It also administers and implements the Corporation's Warranty policy and feeds back constantly to design departments the experience gained by the product users everywhere as a guide to product improvement. It has its own repair shops at Longbridge and Cowley where Service techniques are developed and standard times laid down and proved for routine maintenance and repair work in the field.

Although Austin and Nuffield vehicles are sold through separate networks of Distributors/Dealers, B.M.C. offers a combined B.M.C. Service which, with the common major assemblies now in use, doubles the points available for contact so far as the vehicle owner is concerned.

B.M.C. Service buildings cover well over 30 acres. The combined staff strength (parts and technical service) is a little less than 2,500 employees.

Plans for future development include a new and vast parts warehouse and administrative block, and the careful introduction, during the next two years, of modern electronic computers.

One of the fleet of B.M.C. Service training school vehicles that are in constant use throughout the world instructing and advising Dealers on the servicing of Austin and Nuffield vehicles
List of Subsidiary Companies of
The British Motor Corporation Ltd.

The Austin Motor Co. Ltd.
Austin Motor Export Corporation Ltd.
The Austin Motor Co. Ltd. (England).
The Austin Sales (Australia) Pty. Ltd.
The Austin Motor Co. (Canada) Ltd.
The Austin Motor Co. (South Africa) (Pty.) Ltd.
Vanden Plas (England) 1923 Ltd.
Morris Motors Ltd.
Nuffield Exports Ltd.
Nuffield Metal Products Ltd.
Nuffield Sales (Australia) Pty. Ltd.
Morris Motors (S.A.) (Pty.) Ltd.
The Nuffield Press Ltd.
Morris Commercial Cars Ltd.
Morris Motors (Canada) Ltd.
The M.G. Car Co. Ltd.
Riley Motors Ltd.
The S.U. Carburetter Co. Ltd.
Wolseley Motors Ltd.
Fisher & Ludlow Ltd.
Bendix Home Appliances Ltd.
Cargon Transport (G.B.) Ltd. & Gridway Steel Construction Co. Ltd.
Fisher & Ludlow Ltd. (Vending Division).
Fisher & Ludlow (Australia) Pty. Ltd.
Fisher & Ludlow (Canada) Ltd.
B.M.C. Service Ltd.
B.M.C. (Scotland) Ltd.
The British Motor Corporation (Australia) Pty. Ltd.
The British Austin Morris Motor Corporation (S.A.) (Pty.) Ltd.
The British Motor Corporation (East Africa) Ltd.
The British Motor Corporation (Northern Rhodesia) Ltd.
The British Motor Corporation (Rhodesia) (Private) Ltd.
The British Motor Corporation (U.S.A.) Ltd.
The British Motor Corporation (Canada) Ltd.
The British Motor Corporation (Sweden) AB.
B.M.C. Trustees Ltd.

Associated Companies
Austin Crompton Parkinson Electric Vehicles Ltd.
Stacatruc Ltd.
The British Motor Corporation/Hambro Inc.