

**Harroun  
Motors Corporation**

**CAPITAL \$12,750,000**

Cumulative 7% Participating 3%

Preferred Stock Par Value \$100  
Authorized \$2,500,000.00

Debenture Preferred  
25,000 Shares Par Value \$10  
(Authorized but not to be Issued)

**COMMON STOCK**

1,000,000 Shares  
Par Value \$10

**ORGANIZATION**

Perfectly by the Association of Officials  
and men of highest ability, long experience  
and success, extending over many  
years in the automobile industry.

**MARKET**

Domestic demand for more than  
we can hope to fill and a waiting  
foreign market with standing  
orders to absorb our entire output

**SALES CONTRACTS**

Are held with the best distrib-  
utors covering our maximum  
plant production for several  
years to come and dealers  
everywhere clamoring for more  
Harroun cars.

**PLANT**

Our property, covering 50 acres,  
with plant and equipment is among  
the most modern of automobile  
plants in America—with facilities  
for turning out twenty-five thous-  
and cars a year.

**TRANSPORTATION**

The Michigan Central and Pere  
Marquette Roads switch into  
our grounds, and with the Michi-  
gan Traction Lines running  
alongside, our transportation  
facilities are unexcelled by any  
plant in the district.

**LABOR**

Plentiful supply of expert work-  
men for all needs of company,  
drawn chiefly from vicinity of  
plant and owning to a great ex-  
tent their own homes—a distinctly  
contented class of workers.

**RAW MATERIAL**

Many years dealings and inti-  
mate relations with all sources  
of supply afford us exceptional  
privileges for securing material  
entering into Harroun Motor  
Cars.

The foundation of manufacturing success is based upon a product of merit in combination  
with an organization, plant and equipment of highest efficiency.

**HARROUN CARS ARE AMONG THE BEST OF THEIR CLASS**

and so Proven by Competitive Test and the Experience of Thousands of Satisfied Users

# Harroun Motors Corporation

Incorporated under the laws of Delaware

(A Corporation which owns and controls all of the assets, rights and stock of the Harroun Motors Corporation of Michigan, Harroun Motors, Ltd., of Canada, and Harroun Motor Sales Corporation.)

## OFFICERS

|                  |                       |                                  |
|------------------|-----------------------|----------------------------------|
| <i>President</i> | <i>Vice-President</i> | <i>Secretary &amp; Treasurer</i> |
| JOHN GUY MONIHAN | RAY HARROUN           | HOWARD F. LEA                    |

## DIRECTORS

|                   |             |                    |               |
|-------------------|-------------|--------------------|---------------|
| JOHN GUY MONIHAN, | Detroit     | J. G. COWLING,     | Milwaukee     |
| RAY HARROUN,      | Detroit     | ARNOLD L. DAVIS,   | New York City |
| HOWARD F. LEA,    | Detroit     | CLAIRE L. BARNES,  | New York City |
| A. L. HARROUN,    | Kansas City | ZADE A. METZLER,   | New York City |
| RALPH W. HOFFMAN, | Kansas City | HOWARD R. SWEARER, | New York City |
|                   |             | WALTER H. ECKERT,  | Chicago       |

Capital \$12,750,000

|  |                                      |
|--|--------------------------------------|
| 7% Cumulative Preferred Stock, Par Value \$100.00. Participating in common stock earnings to the extent of an additional 3%  | <i>Authorized</i><br>\$ 2,500,000.00 |
| Debenture Preferred Stock of the Par Value of \$10.00<br>(This stock will not be issued and proposal to retire the same will be made at next stockholders' meeting.) | 250,000.00                           |
| Common Stock of the Par Value of \$10.00. The Common is entitled to all profits after the payment of the 7% and additional 3% on the Preferred.                      | 10,000,000.00                        |

Dividends on the Preferred Stock are cumulative, payable quarterly, said stock being retirable at \$115.00 per share and accrued dividends, after January 1, 1922, at the option of the Company, upon thirty (30) days' written notice.

The entire interest of the officers and working organization of the Harroun Motors Corporation is held in escrow by the Treasurer of the State of Michigan and is not to be issued until the organization has earned for its stockholders a minimum of 6 per cent on the entire outstanding issue of Common Stock.

## *Registrar*

The Equitable Trust Company  
of New York

## *Transfer Agent*

Security Transfer and Registrar  
Company of New York

## *Auditors*

The Audit Company of New York  
Arthur Young & Company of Chicago

## *Appraiser*

The American Appraisal Company  
of Milwaukee

*We offer, subject to prior sale, any unsold part of the above issues for immediate allotment.*

Prices on application to

## Harroun Motors Syndicate

20 East Jackson Boulevard  
Chicago, Illinois

***Sole underwriters of securities of Harroun Motor Corporation.***

The statements herein contained are obtained from reliable sources and, while not guaranteed, we believe them to be entirely trustworthy.

## Present Scope and Operating Program of the Corporation

### *Location:*

Property Owned  
by the Company.  
Value—American  
Appraisal Co., 1918  
\$335,300.

Harroun Motors owns approximately fifty acres of manufacturing property, ideally located at Wayne, Michigan, a suburban town eleven miles west of the city limits of Detroit, surrounded on three sides by the Michigan Central, Pere Marquette and Michigan Traction Lines, with sidings provided for the receipt of materials and the ready shipment of manufactured product.

### *Plant Buildings:*

Cost 1917, \$596,031.  
Reproductive Value,  
1920, \$1,300,000.

The Harroun plant is of the most modern construction, of concrete, steel, glass and Federal tile and consists of the following buildings: Machine shop (540 x 75 ft.), assembly plant (750 x 140 ft.), power house (82 x 42), warehouse and loading dock (700 x 28 ft.), with supplementary buildings consisting of the following: Rough stock storage, forge shop, company restaurant, first aid and employment buildings, covering a total area of approximately 200,000 square feet of space, all designed and grouped to bring about the highest efficiency.

### *Equipment:*

Cost, 1917, \$577,765  
Reproductive Value,  
1920, \$1,000,000.

The equipment of these plants is of the highest type known to the motor industry. Its machine tool equipment and fixtures, designed for the production of Harroun cars, is of the latest type and is recognized by experts as being the most efficient for the rapid, accurate and economic production of the parts entering into Harroun cars.

### *Plant Capacity:*

The plant and present equipment has a production capacity of twenty-five thousand (25,000) Harroun cars per year (eighty cars per day) and with relatively slight changes and additions this capacity can be doubled.

### *Production Plans:*

With a thoroughly tested automobile built along standard and accepted lines, it is the purpose to center all efforts upon the manufacture of the second series of Harroun Motor Cars, which will extend the justly earned reputation of superiority which the Harroun enjoys as among the best of the popular priced automobiles. Contracts with the U. S. Government limited our manufacture of cars during the war to 2,600, but with the completion of the plans and programs now guiding our return to autocar manufacture, we look forward to steady upbuilding of production and general industrial growth.

### *Labor Situation:*

We are so admirably situated in a settled community of almost entirely expert labor that, in many respects, we enjoy a distinct advantage over competitive plants. Relatively few workers come any distance. A generous proportion own their own homes and, in comparison with other plants, work on a lower average wage scale. Steady and satisfied workers constitute an invaluable asset in the case of any industrial enterprise.

***Sales  
Organization  
and Contracts:***

Men of long years proven experience and marked success formed the Sales Organization of the Harroun Motors Corporation. Under their direction contracts were entered into between the Corporation and a group of the strongest dealers and distributors of motor cars in the United States covering a period of five years. Each distributor agreed to take a certain percentage of the Company's production, the Company in turn advising the distributor each year of what that production would be. Ten per cent of the plant capacity was set aside for export and a firm contract entered into with one of the largest exporters of motor vehicles in the United States. Thus the capacity of the plant has been definitely sold for years to come. When the original Harroun specifications were sent to the automobile industry, there resulted signed applications for a total of over 250,000 cars for delivery the first year. The demand is as great today for Harroun cars as it has been at any time in its history.

***Earnings:***

The management estimates that on the manufacturing program of 25,000 automobiles, the present annual capacity of the plant, the minimum net profits will be \$2,500,000, after allowance for taxes and depreciation, or ten times the amount required to pay dividends on this issue of Preferred Stock, and leave for distribution to the Common Stock at par approximately \$2,250,000. This conclusion is reached by the fact that the list price of Harroun cars is based on the cost of material, labor and overhead, plus a minimum profit of \$100.00 per car.

***Purpose of  
Present  
Financing:***

Wartime government contracts, and the serious interference with natural growth and progress, necessitated negotiating temporary financing that it is desirable to liquidate. The curtailment of car production prevented the retirement of these loans and the present financial plan contemplates first disposing of these obligations and then providing the necessary working capital for the successful conduct of the business. The retirement of the temporary loans referred to will further fortify the Preferred Stock.

***Assets:***

The Company owns patents and rights of great value, an established reputation for its product and a demand beyond capacity; over fifty acres of unexcelled manufacturing property, a new, modern and thoroughly equipped plant of the most approved type of construction, with a reproductive value as of today's date of \$2,500,000; current inventories of \$500,000, to which should be added the funds provided upon completion of present financing.

From John Guy Monihan,  
President Harroun Motors Corporation,  
Wayne, Michigan.

To Harroun Motors Syndicate:

Recent government statistics show that the manufacture of motor cars is now the world's greatest industrial enterprise, ranking only below agriculture and those forms of effort connected with the simple refinement of raw materials.

Eighty per cent of the product of this great industry is manufactured into complete form and sold by seven or eight automobile companies. These are the popular priced cars, and comprise the Ford, Overland, Chevrolet, Maxwell, Dort, Briscoe, Dodge and Harroun. These companies are all *manufacturers* of motor cars, *not assemblers*, and have invested millions of dollars in plants for the manufacture of automobiles. Among these companies are the greatest money-makers of the industry. In order that you might get a true perspective of the industry, I call your attention to the fact that there are approximately one hundred and fifty manufacturers or assemblers of motor cars competing in the other twenty per cent of the industry's production.

There has never been a time in the history of the industry that the supply of the popular priced car has exceeded the demand, and in view of the great prosperity of the farmer, the workman and the artisan, there is no reason to believe that the supply will overtake the demand in this type of car for many years to come.

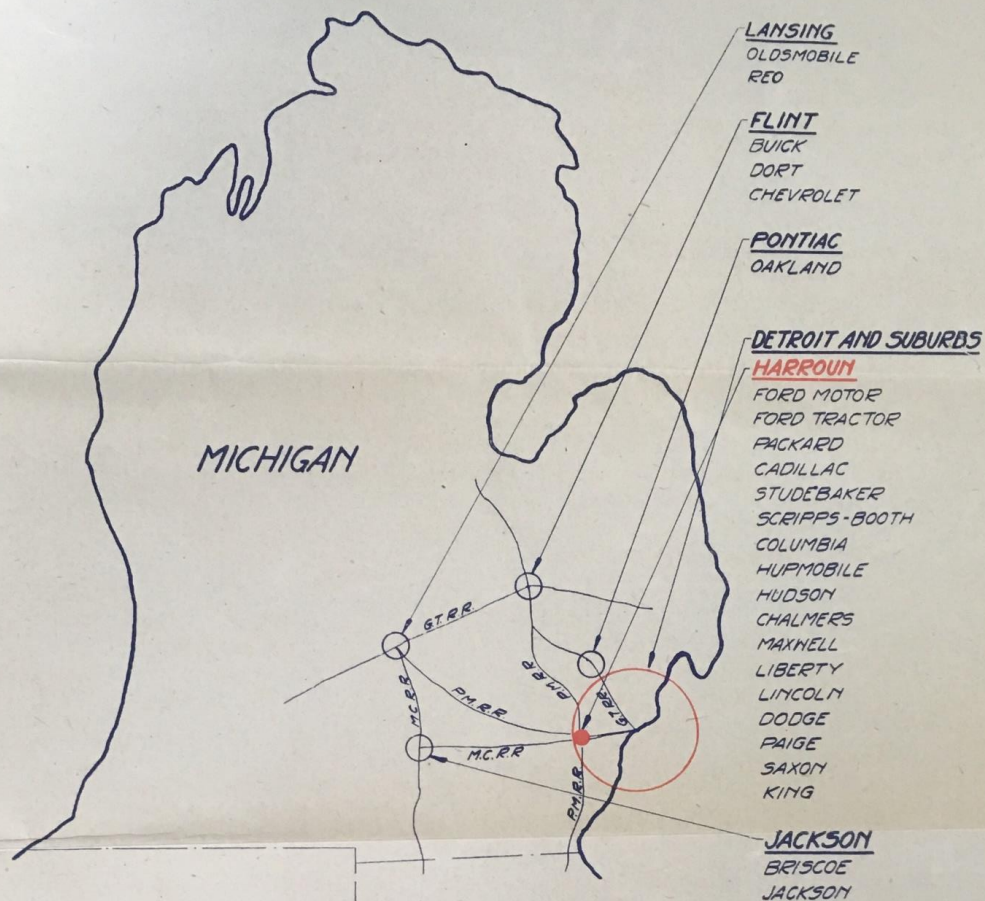
Four of the above companies are owned by a few individuals or by some close corporation, so investment by the public is impossible. The Harroun Motors Corporation offers in this field great possibilities based on the following facts:

- (1) An organization of experienced men, each a specialist in a department of industrial administration.
- (2) A name universally significant of speed, stamina and successful performance.
- (3) A car of popular price in which a new four-cylinder, valve-in-the-head motor attains power and efficiency hitherto unknown in combination.
- (4) A great battery of nearly automatic plants, ideally located and equipped with the most highly specialized machinery.
- (5) The entire product of these plants sold in advance to automobile distributors, and the sale assured by binding contracts backed by their cash deposits.

The plants of the Harroun Motors Corporation were designed and built to produce 25,000 Harroun cars per year and are capable of so doing. The contracts signed for the sale of the car provide for a varying list price which may be advanced or reduced on fifteen days' notice. This enables the corporation to change the list price of its motor car with changing conditions. This fact enables the corporation to establish a list price on which a net profit of a minimum of \$100.00 may be established, after figuring the cost of material, labor, overhead, commercial and administration expenses, and allowances for the various excess taxes. On this basis, the minimum earnings of the corporation should be \$2,500,000 when the plant runs at its full capacity. With such earnings it is reasonable to expect a market for the Common Stock at many times its present value.

Very truly yours,

JOHN GUY MONIHAN,  
President



The World's Motor Market—where practically 85% of all automobiles are manufactured.

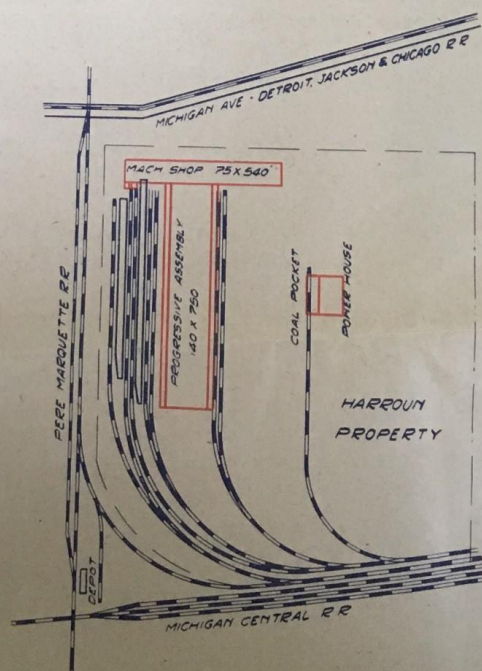


Diagram outlining the unexcelled railroad facilities of Harroun. Utmost dispatch in handling both incoming and outgoing freight.