Harroun Motors Corporation

DETROIT

"I and all my associates are staking our reputation, our money —everything worth while on Harroun cars and I should like to have you and the public become my partners and share in the great profits I am sure are to come.

Yours,
RAY HARROUN"

International Speedway Champion

Chief Engineer Harroun Motors Corporation; formerly Chief Engineer Maxwell Motor Company and Nordyke & Marmon Co.

HENRY J. SPUHLER & CO.

Stocks and Bonds

Bank for Savings Building — Pittsburgh, Penna.

Telephone "Court" 1538

A Message from Ray Harroun

The Master Maker of Motor Cars

To the Public, my Friends and Acquaintances of the Factory, the Garage, the Salesroom and the Speedway—Greetings and a Message.

The news columns have told you of the formation of the Harroun Motors Corporation. They have told you that we are amply financed and are soon to build and market from a large, well-located plant which we have bought, a new motor car, priced at $595.

That is true, but it's only part of the truth, and I want **you** to know the broad, basic facts about my car **right now.**

Let Expectation Aviate.

Put your expectations away up high, for the Harroun is my own idea of what a car should be—the result of more than ten years of experience in designing, driving and testing out race cars and touring cars of both high and popular price.

If, in completeness of equipment and interior appointments, the Harroun doesn't shade anything sold at less than $1,200, then tell me what it lacks and I will add it.

If it won't give greater mileage per gallon of gasoline than you have ever scored in any other car, you can win a nice bet from me.

In a Nutshell.

If my car doesn't show you more power and more acceleration than you ever got out of anything like its size motor, I'll consider it a failure.

You'll find its body better upholstered and lower swung; its lines longer and more graceful; its accommodations more liberal and roomy; its details more carefully worked out.

The Harroun will need mighty little fixing, but I've made it easy to fix.

Progress.

We are going to avail ourselves of the recent rapid development in manufacturing processes and materials.

We don't have to retrim our last year's hat or utilize obsolete tools.

Steel Stamping is our middle name. The development in this line makes it possible to practically eliminate the use of cast iron, malleable iron, bronze castings and other antiquated methods of forming motor car parts.

How Could I Fail?

Strong talk? Yes! But consider my opportunity.

For the first time in my life I've had an absolutely free hand in designing a motor car.

I've not had to build to a price.

I've not had to work my ideas into a model somebody else had been puttering with.

I've not been burdened with a bit of old material, or had to design to use in its manufacture a single piece of expensive out-of-date machinery.

In Harroun Cars.

The chance and the money—I've had them. And the car has come through.

And We Are Ready.

It took time, for this is a car built from dies and metal patterns.

When we had finished and accepted our experimental models, after tests of all sorts, we had a blue-print of every part.

Before we were after our factory, we had machinery and material ordered. Most of these orders are already in process of fulfillment. We will be producing in quantity March 1st.

Men With a Purpose.

And don't think that I am going to try to do it all myself. I'm not.

Every one of our crowd has made money—big money—for other people—Maxwell, Ford, Cole, King, Premier, Marmon, Studebaker. Each in Harroun cars will have a

chance to make it—for you, me and himself. They are young in years and enthusiasm but old in the wisdom of building and selling motor cars. The kind of a crew you can lean on.

Their Ambition.

Building and selling motor cars at a reasonable profit will be the sole purpose of the Harroun Motors Corporation. Our common stock is underwritten to the last dollar and will be offered to you, the Public. It will be your big chance. We have no preferred stocks, bonds or other issue of securities to market.

Here is Your Chance.

I, and all of my associates are staking our all on this, and I should like to have you and the public become my partners and share in the great profits I am sure are to come.

Yours,

RAY HARROUN.

Manufacturing Costs and Profits

The entire cost of manufacturing Harroun Cars and delivering on track, including all overhead charges and $120 retail selling cost, will be $470. The selling price of the car, as previously stated, will be $595, F. O. B. Detroit, producing, therefore, a profit of $125 on each car, or about $3,125,000 net for the 1917-1918 fiscal year. This will mean net earnings at the rate of over 31 per cent. per annum on the total capitalization, par value $10, of the company and will permit the payment of liberal dividends while allowing a substantial surplus to accumulate. This estimate of the net profit per car has been carefully worked out by Mr. Harroun and his fellow associates and the figures arrived at are extremely conservative.

Profits of Competing Companies.

An interesting comparison of the earnings of competitive companies is shown by the following table:

Name	Production	Profit	Profit Per Car
Overland	95,000	$10,000,000	$105
Maxwell	60,000	5,426,000	90
Chevrolet (12½ mos)	10,000	964,000	96
Dodge (*)	60,000	6,000,000	100
Harroun (estimated)	25,000	3,125,000	125

These figures are for the years of 1915-1916.

(*) No statement is available from Dodge Brothers therefore figures as they relate to that company are estimated. The data covering the other concerns has been obtained from the annual statements of these various companies and from other sources that are deemed thoroughly reliable.

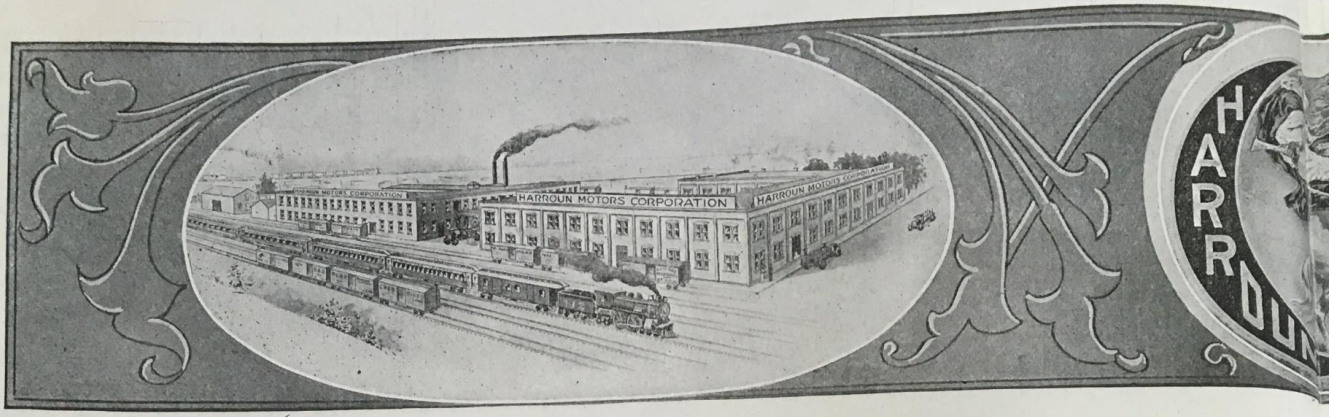
Individuality of the Harroun.

We believe that the Harroun Car represents the greatest value that has ever been offered to the automobile buying public. It ranks with cars selling at many hundreds of dollars more than its cost and is in every way, we believe, a far superior car to any other selling in its same price class. The following figures will clearly indicate this:

Comparative Specifications of Harroun and Competitive Cars.

	Maxwell $595	Dodge $785	Overland $635	Harroun $595
Width of rear seat	47	48	46	49
Length of tonneau	39	40	39	41
Wheel base	103	110	105	107
Size of motor	3⅝x4½	3⅞x4½	3⅛x5	3¼x5¼
Weight (approx.)	1980	2245	2210	1890
Size of tires	30x3½	32x3½	31x4	30x3½
Ignition	Sims	Eisman	Splitdorf	Bosch

It will be seen at a glance from the above table that the Harroun Car has numerous advantages over the several cars mentioned all of which sell at a higher price. The Harroun is just the car that discriminating automobile buyers have been waiting for. Its success is assured from the very start as is indicated by the many applications that have been already received from dealers who are located all over the United States who desire to represent the Harroun in their territories.



Location of Harroun Plant

The plant of the Harroun Motors Company is located at Wayne, Michigan, which is eleven miles from Detroit in the recognized center of the automobile manufacturing industry. The plant is ideally located and the property consists of five acres of land with a series of up-to-date factory buildings of brick construction, having a total of over 80,000 square feet of floor space. The company also has an option to acquire forty acres of additional land adjoining the plant, thus assuring it of plenty of land for future expansion such as will be necessary as the demand for the Harroun Car increases. A complete machine tool equipment of the latest type, especially designed for the purpose of which they are used will be installed and added to the present equipment of the plant. This will make possible the transition in the company's plant of practically the raw material into the finished product. The capacity of the plant will enable the company to build a maximum of 25,000 complete Harroun Cars during the year 1917.

The Harroun Car

The Harroun Car has been designed to meet the demand for a high-grade automobile at a moderate price. The selling price of the car will be $595, F. O. B. Detroit. It will have a high speed, foreign type four-cylinder motor, with valves in the head and three-bearing crank shaft, developing 35 H. P. at 2,800 R. P. M. The cylinders will be cast en bloc with a removable water-cooled head. They will have a 3¼-inch bore and 5¼-inch stroke. It may be here stated that the long stroke valve in head motor is becoming more popular every day, as it means more miles per gallon of "gas" and more power than is obtained by the L or T head motor having a shorter stroke.

It is conservatively estimated that over thirty miles will be obtained from each gallon of gasoline used in Harroun Cars.

Brief Specifications.

Ignition—High Tension Magneto.
Wheel Base—107 inches.
Horse Power—35 at 2,800 R. P. M.
Cylinders—Four en bloc.
Bore—3¼"
Stroke—5¼"
Valves—In detachable head.
Fuel Consumption—30 miles to one gallon of gasoline.

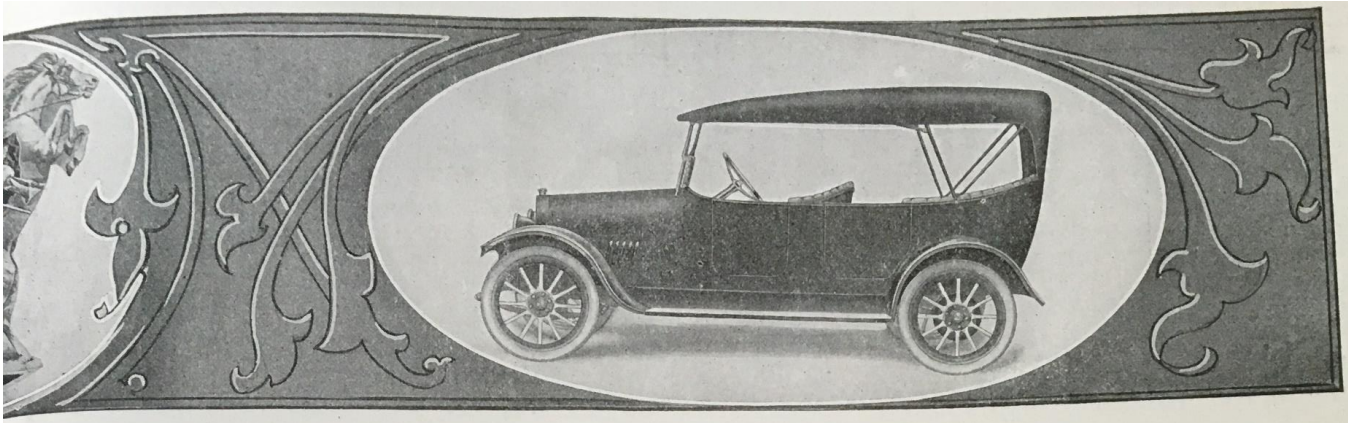
Features.

It is built of Pressed Steel and is the lightest and strongest car of its class.

It is the largest car at the price.

It will develop more Horse Power and will go further on Gasoline than any of its competitors.

It is built low to the ground along the most accepted French Stream Lines.



Complete Specifications Harroun Motor Cars*

Motor—High speed foreign type four, developing 35 H. P. at 2,800 R. P. M.; crank shaft running on three bearings; three point suspension with unit power plant; cylinders cast in block with removable water cooled head; bore 3¼ x 5¼ stroke.

Oiling—Circulating splash feed; plunger pump to main bearing; overflow to pockets in which connecting rod spoons dip.

Cooling—Water, through cellular honeycomb radiator.

Carburetor—Float type automatic.

Ignition—High tension magneto.

Starting and Lighting—Two unit system with 12 volt storage battery.

Gasoline Tank—In cowl, with capacity twelve gallons, giving radius of over 400 miles.

Control—Levers in center of car mounted on transmission case, throttle and spark lever on steering column.

Instrument Board—Speedometer driven from transmission registering 60 miles, total and trip mileage; ignition and lighting switches with locks; current indicator; carburetor dash adjustment and gasoline filler cap; all illuminated with dash lamp.

Transmission—Selective sliding gear type with three speeds forward, one reverse; all gears nickel steel, heat treated and hardened; shafts running on annular ball bearings.

Clutch—Cone, multibestos faced, running in oil.

Rear Axle—Full floating type; four bevel gears differential; nickel steel, heat treated and hardened; pressed steel housing; adjustable pinion and differential with internal and external brake bands of exceptional capacity.

Springs—Semi-elliptic in front, cantilever in rear.

Steering Gear—Hardened steel worm and gear mounted on left side of chassis with 17" wheel; because of special design Harroun Cars steer with exceptional ease.

Wheels—Of hickory with twelve spokes front and rear, fitted with demountable rims; 30 x 3½ plain tread in front, non-skid in rear.

Bodies—Five-passenger touring, three-passenger roadster, all of pressed steel construction with special enameled finish of ebony black.

Upholstery—Special Harroun design of exceptional luxury.

Fenders—Pressed steel of great beauty of design, crowned type. Linoleum covered aluminum bound running boards.

Wheel Base—107".

Tread—Standard (56".)

Windshield—Slanting special clear glass, ventilating and rain vision.

Top—One-man top with handy curtains stored in top, also dust boot.

Lamps—Electric, two headlights with dimming attachments, one tail and dash lamp.

Equipment—Electric horn, robe and foot rails, license brackets, tool kit, tire carrier and extra demountable rim.

Shipping Weight—1,850 lbs. (approx.)

Price—$595.00 F. O. B. Factory.

(* The Company reserves the right to make any changes in above which in its judgment may be for an improved car.)

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Motor-
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Conclusion

We have endeavored in submitting this prospectus to the investing public to set forth as clearly and concisely as possible just what the Harroun Car will be, together with conservative figures indicating the profits which will result from its manufacture. That the profits will enable the board of directors to declare substantial dividends on the stock must be admitted after a careful perusal of the figures given herein, although it will be the company's aim to build up a strong cash reserve while at the same time pursuing a liberal although conservative policy in relation to the disbursement of dividends.

In offering the stock of this company to investors we are confident that the opportunity is presented to become a partner in an enterprise which holds forth almost unlimited possibilities. When it is taken into consideration that investments in the stocks of such companies as Saxon, Reo, Packard, Ford, Willys-Overland, Maxwell, Chevrolet, etc., made when the original companies were formed have resulted in fabulous profits, it can be readily understood what stupendous possibilities are in store for the purchasers of Harroun Motors Corporation stock. What has been done before can be done again, particularly by the same men, and we conscientiously believe that history will repeat itself in the case of Harroun.

Fifteen years ago R. E. Olds produced a single cylinder runabout and he experienced great difficulty in obtaining capital to enable him to push the manufacture of his car. The subsequent formation of the Reo Motor Co. and its phenomenal success is a monument which stands forth in prominence to remind investors of the possibilities in motor stocks. The story of the Ford is too familiar to need more than passing comment. Organized with an initial capital of $28,000, the company in twelve years has made a record for phenomenal growth which will long be pointed out as one of the most wonderful achievements in modern industrial history. The Ford Company manufactured over 500,000 cars during the fiscal year ending August 1, 1916, and has $56,000,000 cash on hand and in banks.

A recent comparison is offered in Saxon. This company commenced business a little over two years ago with $200,000 capital and the first year's operation resulted in a net profit of about $269,000. This company recently increased its dividend from 6 to 7 per cent. and it could well afford to double its present rate of disbursement without unnecessary strain on its surplus. In addition to the declaration of the regular dividend on its first preferred, the Maxwell Motor Co. has just declared a dividend at the rate of 6% on its second preferred stock and 10% on its common stock and an amount equivalent to nearly 30% is being turned into its surplus account after the payment of these dividends. To Ray Harroun and his Maxwell associates now with the Harroun Motors Corporation must be given the lion's share of the credit for the wonderful growth of the Maxwell Company for, as previously stated, he was the chief engineer and had charge of the design and manufacture of the car which proved so satisfactory to the public that its enormous sales have resulted in the company's exceedingly prosperous condition at the present time.

What more logical comment therefore can be made regarding the Harroun car other than to concede that its success is assured from the start. With the experts who are responsible for the Harroun car giving their best efforts toward its success, how can the stock fail to advance? We are absolutely convinced that investments in Harroun Motors stock will prove profitable beyond the fondest dreams of the management.

A limited amount of this stock is now offered for public subscription at an exceptionally attractive price, and as this offering is subject to withdrawal without notice it is advisable to immediately send in your requests for an allotment of the shares. The right is reserved to reject any or all applications and to allot a smaller amount of stock than subscribed for. A subscription blank is enclosed herewith which may be used when applying for the stock of the Harroun Motors Corporation.

What the Press Says

From Detroit Free Press

Wayne County will add a new motor car to the many which it sends to all quarters of the earth, for the Harroun Motors Corporation, a Delaware corporation, capitalized at $10,000,000, have bought the big Prouty & Glass Carriage Co. plant at Wayne, where they will begin directly the manufacture of an automobile, designed by Ray Harroun, former international race champion, lately chief engineer of the Maxwell Motor Company.

Harroun and his associates have been preparing for the past year to enter the big quantity automobile manufacturing field. In the Dodge Power building they have built the first models of the new car, which is said to have developed high efficiency under severe tests.

Plant Covers 60 Acres.

The new Harroun Motors Company plant will be situated 11 miles west of Detroit. The site lies between the tracks of the New York Central and Pere Marquette railroads and covers 60 acres.

The new automobile, which will be sold for less than $600, will evidently be a large proportion of pressed steel parts and be driven by a four-cylinder motor of original design, according to the makers.

Architects are now preparing plans for a large addition of one-story, saw-tooth type to serve as a combined warehouse and assembly unit, and contracts will be let immediately for the construction work. Highly specialized machinery and arrangement permit a production plan nearly automatic. Equipment and material were ordered well in advance—some of the machinery as early as March, 1916.

A complete exhibit will be made at the national automobile shows. Deliveries in quantity are promised for March. The first year's schedule calls for the production of 25,000 cars.

Associated with Mr. Harroun are a number of men, prominent as executives of successful motor car manufacturers at their times of phenomenal development and growth.

John Guy Monihan, former director of sales at the Premier, Cole and Marion companies, assumes the presidency and general management. Mr. Harroun, as vice-president, will give his whole attention to engineering and production.

The directorate will also contain F. A. Vollbrecht of New York, former general manager of the King Motor Car Company and prominent in the organization of the Dort Company at Flint, who will have charge of finance; Ward Macey of Indianapolis, who will be sales manager, and Paul Hale Bruske, prominent in automobile advertising through connection with the Studebaker and Maxwell companies, who will be director of advertising.

From N. Y. Sun

The mystery surrounding the resignation some months ago of Ray Harroun as chief engineer of the Maxwell Motor Company was solved in the news despatches of yesterday when the organization of the Harroun Motors Corporation with its capital of ten millions was announced. The intention of the new company is to build America's greatest light weight touring car, make it out of pressed steel, sell it for $595 and call it Harroun. The executive offices are in the Dodge Power Building, Detroit, and the plant is located at Wayne, just to the west of Detroit.

Associated with Harroun as president of the new company is John Guy Monihan, recently resigned as vice-president and general manager of the Marion Motor Company of Jackson, Mich., and formerly with the Cole and Premier companies of Indianapolis, and F. A. Vollbrecht, former secretary, treasurer and general manager of the King Motor Car Company, the merchandising and production managers of two large motor car companies, whose names will be announced later, R. Ward Macey, with Ford, Franklin and Premier companies, and Paul Hale Bruske, prominent in automobile advertising from former connection with the Studebaker and Maxwell companies.

Ray Harroun, master motor car builder and designer, and John Guy Monihan have for many years been prominent personalities in the motor car industry. It was Harroun who won the world's admiration as an automobile engineer and winner of the first great international sweepstakes race at Indianapolis in 1911. Engineering ability and cold courage did it. In that same year John Guy Monihan made world motor history by conceiving, directing and managing the first amateur "ocean to ocean" automobile tour across the United States, a trip from which has resulted the great interest in transcontinental touring and from which came the inspiration of the Lincoln Highway.

Ray Harroun is the designer of the new car, which will be named the Harroun because that name stands for intense engineering ability, ingenuity, skill and mental alertness in motor car design and building.

Monihan's belief in Harroun is without limit. "Ray Harroun has designed and produced an automobile in the Harroun that I am sure will be successful," says Monihan. It has been tried and proved. The car has 107 inch wheel base, latest wave line body, and is driven by a four cylinder valve in the head high speed Harroun type motor with three bearing crankshaft developing 20 horsepower at 2,800 revolutions a minute, thus giving one horse-power for each fifty-four pounds of road weight, and averages thirty miles to the gallon of gasolene. We will list the Harroun car at less than $600 completely equipped with starting, lighting and full complement of accessories.

"Harroun cars will weigh for shipment less than 1,850 pounds and have the distinction of being the first all pressed steel car ever offered the public. Harroun's magnificent efficiency as an engineer has designed a motor car that will make the country stand up and say: 'There is the idea.' I have so firmly fixed my own faith in the Harroun that I can see ahead of us only that success which comes with real achievement."

From N. Y. Evening Mail

Negotiations which have been in progress for months have come to a focus in the filing of articles by the Harroun Motors Corporation, which has been formed in Detroit to build and market a sensational new car designed by Ray Harroun, former international race champion, but more recently, chief engineer of the Maxwell Motor Co.

The Harroun Motors is a Delaware corporation with a capital stock of $10,000,000. Large financial interests in New York, Philadelphia and Chicago have underwritten the stock issue.

For nearly a year Harroun and his associates have been preparing for their entry into big quantity manufacturing. They have maintained a miniature automobile factory in the Dodge Power Building in Detroit and there manufactured the first models of the new car, which has been for several months under test, and has developed remarkably high efficiency.

The car will be sold at less than $600. It embodies an unusually large proportion of pressed steel parts, and is driven by a four-cylinder motor of highly original design.

The big Prouty & Glass Carriage Company plant at Wayne, 11 miles west of Detroit, has been bought to house the Harroun production. It lies between the tracks of the New York Central and Pere Marquette, and comprises a site of nearly 60 acres. Plans have been prepared for a large warehouse and assembly floor addition, and contracts will be let immediately for the construction work. Highly specialized machinery and arrangement permit a production plan nearly automatic. Equipment and material have been ordered well in advance—some of the machinery as long ago as March, 1916.

From Wall Street Journal

The plant of the Harroun Motors Corporation, recently formed under Delaware laws at a capital of $10,000,000 to manufacture and market an automobile selling for $595, will be in Wayne County, 11 miles west of Detroit. An option has been obtained on an existing plant and on neighboring land to permit extensions as needed. About sixty acres have been arranged for.

The new car has been designed by Ray Harroun, who lately resigned as chief engineer of the Maxwell Motor Company. Mr. Harroun will be vice-president of the company and John G. Monihan will be president.

An output of 500 cars a month is planned, beginning January, to be steadily increased so that total schedule for the first year's operation calls for a production of 25,000 cars.

From N. Y. Times

The Harroun Motor Corporation has been incorporated under the laws of Delaware, with a capital stock of $10,000,000, all common. The executive offices of the company will be at Detroit, Mich., the plant at Wayne, near that city. The company will put on the market a car designed by Ray Harroun, who a few months ago withdrew as chief engineer of the Maxwell Motor Company. "The intention of the company," according to the announcement, "is to build the greatest lightweight car in the world, make it out of pressed steel, sell it for $595, and call it the Harroun." The motor will be of the four-cylinder type, developing 30 horsepower, number of passengers, 5, wheel base 107 inches, and a weight for shipment of 1,850 pounds, due, it is announced to the use of pressed steel throughout. Associated with Mr. Harroun, as president of the new company, is John Guy Monihan, recently resigned as vice-president and general manager of the Marion Motor Company of Jackson, Mich.; F. A. Vollbrecht, former secretary and general manager of the King Motor Car Company, and R. Ward Macey, formerly with the Premier Company. Paul Hale Bruske, formerly of the Maxwell Company, will be advertising manager. The first car is now ready, and it is planned to have ten cars completed for the automobile shows at the beginning of the year.

Harroun Motors Corporation

DETROIT

INCORPORATED UNDER THE LAWS OF DELAWARE

Capitalization, Ten Million Dollars

1,000,000 Shares. Par Value $10, fully paid and non-assessable

Registrar
The Equitable Trust Company of New York

Depository
The Equitable Trust Company of New York

Transfer Agents
Security Transfer & Registrar Co., New York

OFFICERS

JOHN GUY MONIHAN - - - - - President and General Manager
(formerly Vice-President and General Manager Marion Motor Company, Director of Sales of Cole Motor Company and Premier Motor Mfg. Co.)

RAY HARROUN - - - - - - - Vice-President and Chief Engineer
(formerly Chief Engineer Maxwell Motor Company and Nordyke & Marmon Co.; International Speedway Champion)

JOHN J. PLATH - - - - - - - - Director of Merchandising
(formerly General Sales Manager Maxwell Motor Company)

F. A. VOLLBRECHT - - - - - - - - - Director of Finance
(formerly Secretary-Treasurer and General Manager King Motor Car Company, President Nevell Wheel Company)

GEORGE G. WORTHLEY - - - - - - - - - - Treasurer
(formerly President and Treasurer The Fairbanks Co., Manufacturers Fairbanks Standard Scales)

LEWIS HOPKINS ROGERS - - - - Secretary and General Counsel

R. WARD MACY - - - - - - - - - - - Sales Manager
(formerly Sales Manager Premier Motor Manufacturing Company, also with the Ford and the Franklin Companies)

PAUL HALE BRUSKE - - - - - - - Advertising Manager
(formerly Advertising Manager Maxwell Motor Co. and Studebaker Corporation)