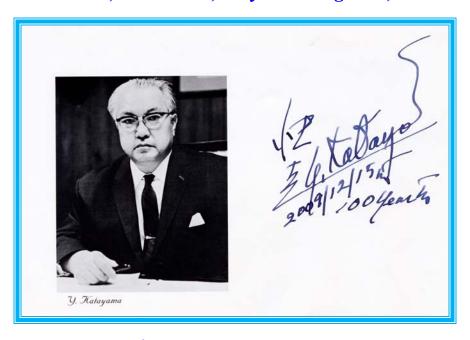


Welcome to the 23rd Annual International ZCCA Convention! Nashville, Tennessee, July 28 – August 1, 2010



Mr. K celebrated his 100th birthday on September 15, 2009. Coincidentally, our Z car legacy, begun when Mr. K brought Nissan's 1970 Datsun 240Z to America, celebrated its important 40th Anniversary this year. ZCCA hopes you will enjoy this biography of Mr. K, his life and times.



Let's Meet Mr. K: A Biography and 100th Birthday Celebration

By Dan Banks for the 23rd Annual ZCCA International Z Car Convention Nashville, Tennessee July 28 – August 1, 2010

Most Datsun and Nissan Z car enthusiasts know that Yutaka Katayama, our Mr. K, and his devoted wife since 1937, Masako Katayama, were honored guests at the ZCCA's Annual International Z Car Conventions through 2005. Mr. K continues to address our Convention through teleconference. Many of us have had the pleasure of meeting Mr. and Mrs. K. and are certainly aware of the history of the Datsun and Nissan Z cars. With the 2003 model year's release of the Nissan 350Z and the 2009 release of the newest Z, the 370Z, we are well into new generations of Z cars and their owners. Some buyers have always owned a Z, yet found the wherewithal to add a new one to their stable. Most are aware of the car's history, but those new to this sports car may not be as familiar with it or know about Mr. and Mrs. K. Writing a biography serves to acquaint our new enthusiasts, and perhaps reacquaint our old, with the reasons this particular couple of all people associated with our beloved Zs are met with such affection and respect. To understand this, it is important to recognize what the Z car represents for so many who enjoy owning one. After all, since the first 1970 Datsun 240Z came to American shores, those who bought a new or used Datsun or Nissan Z number over 3,500,000 people by now.

The 1970 Datsun 240Z was requested of Nissan by Mr. K when he served as president of Nissan – USA. He has identified and credited his associates who designed and engineered it. For Nissan, the 1970 Datsun 240Z joined the 1968 release of the Datsun 510 as yet another significant win for their company. The rare combination of the right cars at the right time in the right place. Mr. K knew how to do this sort of thing. He was one of Nissan's earliest executives. As so often the case in the automotive world, he is a man who presents his own unique and provocative history. Mr. K arrived in Los Angeles on March 23, 1960. Reportedly given no specific orders or guidance, he was assigned by Nissan to perform west coast marketing research. Believing he could build Nissan's Datsun marque in America into a force to be reckoned with, he went far beyond mere research when Nissan took him up on his claim. Nissan Motors Corporation, USA (NMC USA) was founded on September 28, 1960, and Mr. K was soon promoted to west coast vice-president. He rose to become the first president of NMC USA in 1965 and stayed in that position almost 10 years. Mr. K came to understand qualities of character in the American population. When finally produced to Mr. K's specifications, the first 240Z was a perfect fit for the American market. Immediately the 240Z also found ready buyers in Canada, England, European markets, Australia, and Japan itself. Sales really took off after favorable exposure gained by early models' winning big races and road rallies. For all who appreciate cars, the 240Z was and remains a beautiful car simply to look at. Many feel the new 370Z captures that image. Datsun and Nissan Z cars have always presented an extraordinary example of automotive styling.

The birth of the Z car and the passage of 40 years clarify understanding Mr. K and what his Z gave to us. I believe that has to do with the relationship between freedom and the role played by this automobile in supporting our enjoyment of it. Those who identify themselves as citizens of the nations where Z cars are sold, when asked to state qualities of their society most precious to them, invariably include freedom. What the word freedom means is defined by our actions. We express our freedom through unhindered association with our fellow citizens, and by traveling without artificial walls throughout our land. The Z car, in its own small way, has represented a tool for enjoying activities that define what we mean when we say that freedom is such a cherished value. We bond through freedom shared. We sustain our sense of shared moral obligation to each other's well-being through free association and travel. We defend this as a way of life. Yes there are means other than an automobile with which to express our freedom as well as other automobiles to do it in. But for those of us attending the 2010 23rd Annual ZCCA International Z Car Convention at Nissan's home here in Nashville, Tennessee, we know that this week enjoyed in freedom belongs to the Z car. Mr. K made this possible. ZCCA Annual Conventions are where we express our gratitude for his contribution that began shortly after 1958 when Nissan first displayed their cars in America. In bringing us the Z car, he gave us one small way to validate our statement that freedom rules our way of life. Few of us claim any similar contribution, even as the respect and affection shown to Mr. K truly belong equally to all such rare individuals.

This edition of the ZCCA biography, *Let's Meet Mr. K*, also takes note that on September 15, 2009 Mr. K turned 100 years old. Celebrations were held and media, especially *Automotive News*, took note. Some of the materials surrounding his centenary celebration appear herein.







Please accept this special memento of Nissan Motor Corporation in U.S.A.'s 25th anniversary. We're proud of the coincidence that this commemorative U.S. postage stamp and our start of business here share a common date -- September 28, 1960. We also believe that our Silver Anniversary is an ideal time to reaffirm the understanding and goodwill expressed in the Treaty of Amity and Commerce between Japan and America 125 years ago.

Nissan's Expression of Friendship between America and Japan

In 1985, Nissan commemorated their 25th Anniversary in the USA by producing 10,000 individually numbered paperweights. Each has an original 4-cent first-class U.S. postage stamp, itself released to commemorate the 125th anniversary of the 1835 Treat of Amity and Commerce between Japan and the United States. As stated in Nissan's card accompanying the paperweight, this anniversary fell on the same day in 1960 that Nissan, USA was founded in America – September 28. Mr. K, hired by Nissan in 1935 as the first factory Datsuns were being made, was in the United States that September day in 1960 to found the sales of Datsun in America. His journey begins below for our readers.

The Early Years and a Career Choice Founded on the High Seas

Mr. K was born Yutaka Asoh on September 15, 1909, in a small rural Japanese village at the base of Mount Akiba, mythological home of the God of Fire, in Shizoka Prefecture. He was the second son, with an older brother Nobuo, younger brother Saburo, and youngest sister Tamiko completing the family. His mother was Satoko Umetani and father Seishi Asoh. Yutaka's father attended Keio University, one of Japan's leading economics and business schools, as would Yutaka. The senior Mr. Asoh reportedly so loved the world of business that he never returned to the rural farming community and his father's land holdings, which was his duty as the family's first son. Yutaka's father, who was prosperous by the standards of the day, had many foreign postings and reportedly took the entire family along with their maids and attendants. He worked for Mitsui Bank, and had a stint as plant manager at Oji Paper Manufacturing. In 1915, when Yutaka was 6 years old, the family moved to Taiwan. Mr. K's father exhibited his family's heritage of being in love with all new mechanical things, owning such automobiles as an Erskine and a Star Durant. Yet it was really Yutaka's paternal grandfather who raised him until his teenage years. The grandfather was a strict Confucian with vast wealth by the standards of the times and owned a 70-acre estate which included 30 tenant farmers in Saitama

Prefecture. Yutaka, having contracted malaria in Taiwan, returned to his grandfather's estate to attend school, remaining through 5th grade. He was afforded some of the finest teachers who taught him traditional art and drawing, while also providing insight into sciences. His surroundings were a natural wonderland. He remembers the trips through the countryside to and from elementary and high school each day most fondly, and this took him through his teenage years.

Yutaka began a preparatory program for his early career choice to be an engineer. As happens to so many, a signal event changed this career choice.

Yutaka was on vacation during the summer of 1929 and sought out the Osaka Merchant Ship Company for work (and an adventure!). He obtained an offer to board the *London Maru* as apprentice purser promised \$15 total, plus a first-class cabin and meals for the 40-day round-trip. They set sail from Yokohama to Vancouver and Seattle on July 11, 1929 with a cargo of Japanese silk and 20 first-class passengers. Capable of sustaining 18 – 19 knots and believed built around 1900 in Glasgow, Scotland, *London Maru* was one of the fastest boats in the Pacific. This boat was also famous when T. Kamiashi, its former Captain, rescued 5,000 Japanese and foreigners from drowning in Yokohama during the Kanto earthquake on September 1, 1923 (*LA Times*, October 5, 1927, page 17, "Globe Liner of Japan on Call"). Diesel powered at 10,000 tons with two masts, she ran the Pacific in 14 days. The point of the speed was to catch 1929's top market price for silk in New York City. The silk went overland from Seattle on the Cross Continental Express, the same train that would carry Datsuns to Chicago 40 years later. Lumber was carried on the return to Yokohama.

Yutaka's main task was to translate the English language news into Japanese, and make copies for the passengers using a hectograph (a device where a specially inked master copy yields 20 to 50 duplicate copies). He proved adept at this task and finished before lunch every day. His fondest memories aboard ship were of the "great education" gained listening to endless sea stories told in the evenings by the ship's veteran boatswain. He spent considerable time with the ship's officers and radio operators, as well as the captain and ship's doctor. The captain taught sextant navigation to a group of student navigators at dawn every morning, and Yutaka was included in that training.

London Maru was hardly comfortable at speed, and Yutaka remembers well the contrast of glass-smooth silent water sailing through Puget Sound. The beauty of Seattle's veritable "nature park" shores has never left him. Waiting at port was his first shopping experience, a lunch of assorted mixed vegetables, the sweetest, ice-cold water he can remember, calling it the "Pride of Seattle," and vanilla ice cream. "For a young boy, I was feeling full of America," states Mr. K.

Given a railroad pass good for travel anywhere by the ship's purser, Yutaka traveled on the wide-gauge rail to Portland, Oregon. He remembers a sumptuous \$5 dinner on that train. (Yutaka kept \$100 in his pocket for special purchases but found the Americans so friendly and willing to host him everywhere that he returned to Japan without spending it.)

His early respect for Studebaker was in consequence of a local gentleman (recalled as "Mr. G" and not related professionally with Studebaker) who drove Yutaka all around Seattle in a 1928 Studebaker limousine. Years later, in what Mr. K refers to as "a quirk of life," the president of Studebaker approached him in 1964 offering, to Mr. K's polite refusal, to buy the Datsun brand.

An important lesson in timeliness was learned, never to be forgotten. Yutaka's father, Mr. Seishi Asoh, served as Managing Director for the Mitsukoshi Department Store (on Nihonbashi Street in the Ginza, est. 1673 by the Mitsui family), and his secretary had arranged a letter of introduction to the head of Hartmann Trunk Company's Seattle office. Hartmann Company was founded in 1877 by the Bavarian trunk maker Joseph S. Hartmann, who became a famous producer of luggage especially accommodating the huge increase in passenger rail traffic of 1920s America. It would have been most likely for Mr. K to meet one of Hartmann's sons. He remembers that the fellow was named Mr. Hartmann. Mitsukoshi handled their line of trunks and luggage in Japan. The Japanese battleship, *Yakumo*, was anchored in Seattle on its annual long distance navigational training voyage for young Navy officers. This ship was built by the German company Stettiner Vulcan AG and launched July 8, 1899, one of six commissioned by the Imperial Japanese Navy from foreign shipyards. Yutaka was scheduled to meet the younger Hartmann at his office and both would tour the Yakumo. But earlier that summer day in 1929 Yutaka decided to see another famous Seattle landmark, the Smith Tower. Completed in 1914, and 462-feet tall with 42 floors (including the famous Chinese rooms furnished by the Empress of China), the Smith Tower was then America's tallest building west of the Mississippi. From the observation decks on top, Yutaka saw the Yakumo at harbor, as well as the great Pacific northwest spread out before him. But he stayed too long, arriving 30 minutes late at Hartmann's office. Mr. Hartmann was already gone. So Yutaka missed his chance to meet him and to tour the Yakumo, vowing not to repeat such a mistake again. Yutaka's father, himself 40 years old at the time, knew good training and was not upset, telling Yutaka with a smile that "Mr. Hartmann gave you a good lesson!"

Overall, Mr. K spent about 4 weeks at sea and 2 weeks on shore in America during 1929 as he neared his 20th birthday. He asks if such a grand job is available for a youth today, noting his friends cannot tell him of any. Thinking well of *London Maru*'s captain, Mr. K made a "sunrise" decision on this trip, deciding to abandon his early career decision to become an engineer in favor of a position controlling sales for a great automobile maker. He believed such a position truly represented the captain of the ship. Upon his return to Japan, it was exactly this formative experience that saw Yutaka heading off to his father's alma mater, the leading economics faculty at Keio University.

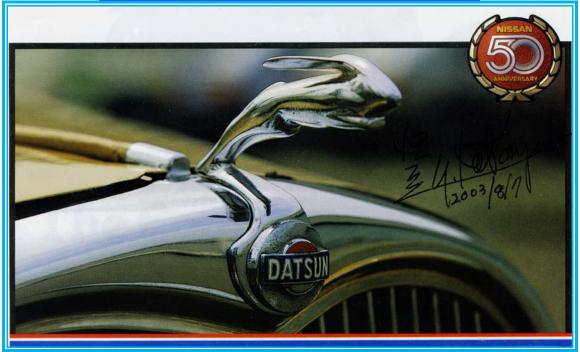
College Graduation and Employment at Nissan

Upon his return, Yutaka pursued his college education and graduated in March 1935 from Keio University. How he became employed at Nissan begins with the story of Yoshisuke Ayukawa (his first name is also written as Gisuke, 1880 – 1967), a well-connected risk-taking entrepreneur who became a major figure in the world of early twentieth-century

Japanese business. Ayukawa founded a holding company in March 1928 called Nihon Sangyo, which funded its various industrial pursuits through capital resources provided by investors. In 1933 Nihon Sangyo, which translates as Japan Industries, and whose stock-ticker symbol NiSan yields to the more familiar NISSAN, had acquired all available shares in a Japanese automobile and truck company called DAT Motor Vehicle Manufacturing. The brand name "Datsun," selected in 1932, and the actual small car itself, came gratis as part of the deal. A new factory in Yokohama was under construction to build their cars. High finance was needed all along and Ayukawa was able to put this together. Japan's Fujita family was among Ayukawa's most wealthy and powerful financial backers. Ayukawa's younger brother, Masasuke, had married Fumiko Fujita, Yutaka's aunt (his mother's older sister). This fact combined with Yutaka's ocean-going decision to pursue his career in automobile sales gained him a letter of employment upon graduation from Keio at Nissan dated April 1, 1935. When the first Datsun rolled off the assembly line in Yokohama on April 12, 1935, Mr. K was there. Ayukawa hoped to demonstrate with Datsun that Japan was capable of mass production. As Datsun made their first factory-produced cars, factors had long been at play making the Datsun venture risky business. Not least among these was creating a market among regular citizens.

World War I saw the Japanese military attempt to spark a domestic industrial effort to make trucks. A Military Subsidy Act was passed in 1918, but it is not considered to have been successful. Only three small makers qualified, and they made very few trucks. The signal event creating an immediate need for individual small trucks, buses and automobiles was really the great Kanto earthquake of 1923. It was centered near Tokyo and destroyed much of the public transportation infrastructure. Ford shipped many model T trucks to Japan, and was then joined by General Motors and Chrysler in building transplant factories there. Ford began in Yokohama in 1925; General Motors built a Chevrolet transplant in Osaka in 1927. Shortly thereafter, Chrysler also established a small transplant. Knockdown kits were shipped in, with some growing local parts manufacture by Japanese firms, especially Nissan. According to one source, during the 10-year period 1925-1935 prior to the opening of Datsun's factory, these American transplant factories reportedly assembled 208,967 vehicles (108,509 Fords; 89,047 Chevrolets; 11,411 Chryslers). Japanese law had shut down these transplants by 1939. Over 250,000 had been made. 98 of every 100 cars in Japan were American margues. Some private vehicles were owned by the wealthy, who rarely drove themselves but had chauffeurs. Most cars were owned by taxi firms with professional drivers. In comparison, during the same 10-year period, all Japanese manufacturers reportedly produced only 12,127 cars. (A much larger number of 3-wheel vehicles, often using small air-cooled engines, were made for light commercial purposes in Japan.) Smatterings of American and European marques were imported. One such early importer of Buick, Cadillac, and Studebaker was Yanase Motor Company, Ltd. of Tokyo. In consequence, much of Japanese marque production became practical vehicles such as panel vans and delivery trucks, a market in which their manufacturers could find buyers. When Mr. K became a Nissan employee to work in automotive sales, the story goes, his relatives were quite chagrined. Aunt Fumiko announced that Yutaka, after all his fine education, had decided to become a taxi driver. In fact, though, he was to spend his first year in the Datsun factory, learning everything that could be taught about how to build these little cars.

A Leaping Hare Guides Datsun Along the Road



"Datto!" With the swiftness of a hare in flight!

Once Datsun got underway, the car needed something special to distinguish itself. The 1930s leaping-hare hood ornament is among the very first symbols associated with Nissan Motor Company, Ltd.'s Datsun automobile. It was styled by Datsun's famed artist and automobile engineer Ryuichi Tomiya, who joined Nissan in 1934 as a graduate from Tokyo Koto Kogei School, the Tokyo Advanced Craft School, which was the forerunner of today's Engineering Department at Chiba University. He was among those responsible for styling the earliest Datsun exteriors and interiors, and was a noted painter who prepared much of the artwork found in Datsun advertising brochures of the 1930s. His career was prolific and diverse, and included much work with Nissan as well as Suminoe Engineering, the company that made Mr. K's Flying Feather during the 1950s.

The first factory-produced Datsun was the "Model 14" and production ran during 1935 – 1936. Based on period advertising brochures, Datsun's leaping hare hood ornament became available for owners wishing such a distinction at the April 12, 1935 start of Model 14 factory production. Datsun changed to more stylized ornaments for the Model 15 cars that came out later in 1936. Mr. K confirmed that Datsun's leaping hare represents the only animal-themed hood ornament used by any Japanese motor vehicle manufacturer... ever. Though the late 1930's window to build Datsun would be all too brief, this ornament was certainly appropriate to the times. Datsun alone in Japan participated in the golden era for hood ornaments in automobiles of the world!

Nissan records indicate that Datsun production in the 1935 calendar year was 2,631 automobiles and 1,169 trucks. Production peaked in 1937 at 8,353 cars and trucks; 1934-1944 total production was 33,279 Datsuns. Factory and dealer advertising shows

the leaping-hare hood ornament only on the Model 14 (1935-1936) Datsun, including trucks. It is not known how many ornaments were actually made, or how many of these Datsuns were so equipped. From the advent of the Model 15 Datsun and its light commercial or truck variants in later 1936, this ornament remained available only from an aftermarket supplier. It is shown as part number 147.283-A in one brochure of 1939.

The story of how the first factory-produced Datsuns came to have a leaping-hare hood ornament is shared with us by Mr. K. He was hired by Soji Yamamoto, the General Manager of the first Datsun factory, on April 1, 1935 and apprenticed to the factory from Nissan's sales department. Thus he was able to meet everyone involved and study the way the Datsun automobiles were manufactured. According to Mr. K, it is most likely that one of the original Datsun engineers he met at that time, a body structures specialist named Tsunesaburo Tanaka working with Datsun's stylist and interior designer, Ryuichi Tomiya, was behind the leaping hare. Mr. K remembers Tanaka-san as "a very happy and witty, nice engineer," who possessed the sense of humor needed to suggest this theme for a hood ornament. It is really a play on words. The katakana that sounds out the word DATSUN, ダットサン, has 5 symbols and actually ends up as "Dattosan," combining "Da," "Tzu," "To," with "Sa" and "N." The first three katakana yield "Datto", ("tzu" is silent and merges the Da and To into one flowing word so that you have "datto" instead of Da To). Datto is a Japanese word and commonly means a speeding or coursed hare. Both men thought a graceful leaping hare would be just the thing for the new Datsun. It certainly fit the times in automotive styling, and they very much wanted Datsun to represent that. At first, Tomiya-san went to the Tokyo zoo in an effort to find a suitable hare for a model. Mr. K relates that all he found there were exotic, and rather fluffy and unspeedy-looking rabbits. Then Tomiya-san learned that one of Nissan's largest stockholders, Fusanosuke Kuhara, actually kept the more common, and quite speedy, hares in his gardens. Tomiya-san went there and soon found one to use as the model. The result is among the most graceful hood ornaments on any car of the 1930s.

The leaping hare itself measures about 12 centimeters in overall length and is about 1½ centimeters at its thickest point. It is thus proportional to the Datsun itself, and a hefty piece that appears nickel-plated solid brass. Values for rare examples today run several times the car's original cost. The original 1935 Datsun Roadster cost \$514.75 FOB Yokohama (*Time Magazine*, January 21, 1935, page 31).



The 1935 Datsun Model 14 Brochure. This original is believed to be one of the very first Nissan Motor Company English-language Datsun brochures ever printed. Mr. K signed it on August 19, 2005 at the Syracuse ZCCA Convention. William R. Gorham oversaw design of the first Datsun in 1932. His son, Don Cyril Gorham, signed the brochure on February 17, 2006 at his home in Silver Spring, Maryland. Both men were present in 1935 when this brochure was printed and Nissan opened their Datsun factory. Author's collection.



An original Datsun leaping-hare hood ornament. Author's collection.

A Fine Honeymoon in the Datsun Roadster of 1937

Ayukawa had been involved in automobiles well before starting his Datsun factory in Yokohama. Tobata Casting, which he founded in 1910, and the affiliated foundry, Etchu-Jima, gained parts-manufacturing contracts for both General Motors and Ford. Much of this is described in a 1950 book William R. Gorham: An American Engineer in Japan (www.lulu.com). Gorham, an employee devoted to Ayukawa since 1921, was instrumental in raising the quality of these parts to standards common in Ford and Chevrolet automobiles assembled in Japan. Ayukawa long wanted to demonstrate that Japan could set up and run an automobile factory. He envisioned making 5,000 Datsuns a year when the Yokohama factory opened in 1935, with hopes of building up to 15,000 vehicles a year. They were smaller than the Ford or Chevy cars so as not to directly compete (not, as is often stated, because roads were narrow). Ayukawa hoped to spark a new market for recreational use of the automobile by average Japanese. He was still a relatively young man who sensed a clear shot at building Japanese cars without other domestic competition. It was said that few, if any, of the older men running the three big zaibatsu (conglomerates) of Mitsui, Sumitomo, or Mitsubishi even owned an automobile. They could have been strong competitors had they so chosen. Yet, roads beyond the big cities were poor, the capital expenditures needed to build factories for what was a rich man's conveyance were intimidating, and the American transplants were building about 30,000 cars from knockdown sets every year anyway. For a while things looked good at Datsun in the later 1930s, and we have the 1937 story that when Yutaka Asoh wed

Masako Katayama and took her family name, he bought a 1937 Datsun Roadster to drive her around the resort areas of Mt. Fuji on their honeymoon.







Here we see a pewter model of the 1937 Datsun Model 15 Roadster before a scene of Mount Fuji. To the right are Ryuichi Tomiya's paintings of Datsun's 1936 – 1937 cars: the Datsun Roadster, Sedan, and Business Coupe. All were 3-speed with a 16 hp, 722cc in-line 4-cylinder engine. The wheelbase was 2005 mm (6'8") and they weighed 1,100 to 1,250 pounds. The 5gallon fuel tank was good for 250 miles!



The Lost Decade

Sadly, Datsuns were to be manufactured for only a few short years before rising militarism, the Sino-Japanese war of 1937, and the Manchurian campaign forced the production of larger military trucks. Japan's "Greater East Asia Co-Prosperity Sphere" expansion came with military demands on industry that channeled away quality machine tools, machinists, the best materials, and electricity. Ayukawa was the same age as the young militarists, bonded well to them, and Nissan became a part of military production. Zaibatsu leadership was mostly older than Ayukawa. Some protested the actions of militarists. There were assassinations and by the late 1930s zaibatsu policy matched that

of the government. The Datsun factory gave over to war materiel, even as Nissan was moved to Manchuria and Ayukawa became director under a new name, the Manchuria Industrial Development Corporation. Mr. K was ordered to report to the Manchurian factory at Hantong in 1939 to be responsible for building materials and road construction. Many Japanese went to Manchuria hoping to build what was described in Professor Haruo Iguchi's book on Ayukawa and Nissan as a "righteous way paradise" (*Unfinished Business: Ayukawa Yoshisuke and U.S.- Japan Relations, 1937 – 1953*, Harvard University Press, 2003). What Mr. K found was anything but harmony. He transferred back to Japan after 2 years, and refused orders given to him in 1945 to return, crediting that decision with his avoidance of prisoner of war status at the hands of the Chinese. At war's end Nissan's zaibatsu comprised over 75 different companies. Most had been involved in war materiel. General MacArthur had Ayukawa jailed for 21 months as a war criminal. War crimes charges against him were ultimately dropped. His lesser crime was profiting from war materiel. Ayukawa was cleared as a war criminal and released from prison in August 1947. He was never allowed back into Nissan.

Sources on the Japanese Motor Vehicle Industry

Indeed, from the September 2, 1945 signing of the instrument of surrender, the establishment of General MacArthur as Supreme Commander for the Allied Powers (SCAP) and his General Headquarters (GHQ), opportunities to restart auto making were immediately seized upon by leadership of the Japanese motor vehicle industry. A very brief timeline of key events serves to understand the world Mr. K found himself in at this time. It is beyond the scope of this biography to go much deeper than that; however, a citation of source materials is presented below for readers interested in the study. These English-language publications describe this period's critical history in the Japanese motor vehicle industry, usually in context of the larger sweep of time from the end of WWI and the interwar years to their date of publication. These books are often published doctoral research of advanced students. Importantly then, they are not works of investigative journalists, newspaper bureau chiefs, or memoirs of retired auto executives with attendant agendas, biases, and "axes to grind." (Not that one should miss reading their accounts.) The list below is hardly complete, but if your interest is piqued, these works provide a strong factual background. Given in chronological order of publication, the range of publications cited, from 1973-2003, demonstrates that historical research about the Japanese motor vehicle industry remains ongoing. Throughout this biography appear other citations the reader may wish to consult.

U.S. – Japan Automobile Diplomacy: A Study in Economic Confrontation, William Chandler Duncan, 1973, Ballinger Publishing, Cambridge, MA.

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The Japanese Automobile Industry: Technology and Management at Nissan & Toyota, Michael A. Cusumano, 1985, Harvard East Asian Monograph #122, The Harvard University Press, Cambridge, MA.

A History of Japan's Government-Business Relationship: The Passenger Car Industry, Phyllis A. Genther (Genther-Yoshida), 1990, Michigan Papers in Japanese Studies Number 20, Center for Japanese Studies, The University of Michigan.

The Japanese Automobile Industry: An Annotated Bibliography, compiled by Sheau-Yueh J. Chao, 1994, Bibliographies and Indexes in Economics and Economic History Number 15, Greenwood Press, Westport, CT. This work provides citations of 601 sources including books, documents, monographs, articles, periodicals, references, and audio visual aids covering all factors of the Japanese motor vehicle industry from its history and development to joint ventures, transplants, and government trade issues.

The History of Anglo - Japanese Relations, 1600 – 2000, Volume IV, Economic and Business Relations. See chapter 6, A Case Study of Anglo-Japanese Cooperation in the Motor Vehicle Industry: Ishikawajima, Wolseley, Isuzu and Rootes, by Christopher Madeley, 2002, Palgrave Publishers. This is volume 4 of 5 volumes. Madeley, a prominent British scholar at Chaucer College in Canterbury, England, also has significant material published on line. See for instance his contribution, Kaishinsha, DAT, Nissan and the British Motor Vehicle Industry, appearing as part of Discussion Paper No. IS/05/494 of the International and Japanese Studies Symposium, The Automobile in Japan, Suntory and Toyota International Centers for Economics and Related Disciplines, London School of Economics and Political Science, 2005.

Unfinished Business: Ayukawa Yoshisuke and U.S.-Japan Relations, 1937 – 1953, Haruo Iguchi, 2003, Harvard University Asia Center, Harvard University Press, Cambridge, MA.

A Brief Timeline Through the Late 1940s and 1950s

These cited works provide the following timeline detailing the restart of the Japanese motor vehicle industry. Mr. K, along with his fellow Japanese motor vehicle industry executives, saw these events unfold. Wartime Japan effectively subordinated its motor vehicle manufacturers to the military. Development of passenger cars and related imports of technology and expertise ceased. Both Nissan and Toyota were heavily subsidized for the manufacture of military trucks, yielding Japan a viable truck industry at the dawn of peace. Japanese governmental and industrial decision makers drew four lessons from the interwar and wartime experience (Genther). Allowing their domestic industry to remain technologically backwards would simply open the door for imported vehicles and a return of foreign transplants building on Japanese soil for Japan and Asian markets. Chronic trade deficits and foreign exchange shortages would be aggravated should Japan retain significant dependence on foreign motor makers. They were convinced that a combination of governmental guidance and private sector involvement in policy to restart their domestic auto industry was the way to go. They recognized that the encompassing governmental control of the interwar and wartime period was not a viable alternative to the decisions of their private automobile industry leadership.

Toyota's Kiichiro Toyoda immediately went to work, meeting as early as August 18, 1945 with the chief of the Automobile Section of the Machinery Bureau, to learn what raw materials were actually on hand. Reportedly using available stocks, Toyota actually made 602 vehicles in August and November of 1945. Nissan restarted in November, though very quickly a host of rules ensued from GHQ. Toyoda was determined, however, meeting on August 21, 1945 with other manufacturers and bureaucrats from the Ministry of Commerce and Industry (MCI, which would become the Ministry of International Trade and Industry – MITI, in May 1949), and the Ministry of Transportation. Toyoda continued his meetings and on November 25, 1945 the meeting venue itself was officially named the Automobile Conference, predecessor to the current Japan Automobile Manufacturers Association, JAMA. By October, 1945, Toyoda had instructed his engineers to begin work on what would ultimately become the first Toyopet. A few other dates to note would be the restart of Mazda Motor Corporation (Toyo Kogyo) on December 1, 1945 and the restart of Daihatsu on April 1, 1946. Both would make 2- and 3-wheeled vehicles, only beginning their 4-wheel manufacture over a decade later in 1958. Tachikawa Aircraft became Prince Motor Vehicles in November, 1946, while Nakajima Aircraft became Fuji Heavy Industries (makers of Subaru).

SCAP automobile policy began with the promulgation of SCAP/GHQ Memorandum No. 58 on September 25, 1945. This gave the Japanese motor vehicle makers permission to build up to 1,500 trucks per month, a volume that would not be reached in reality until 1948.

SCAP Memo 58 was hardly suitable for restarting production of passenger cars, in fact explicitly prohibiting that. So the Automobile Conference provided their formal petition of redress on that point to the Japanese government on March 9, 1946. In April, 1946, the Japanese government submitted the petition to SCAP, asking for permission to build 200 passenger cars. SCAP Memorandum No. 977-a of April 12, 1946 rejected this request. The concern was a lack of available steel seen by GHQ for addressing the critical shortage of trucks needed to rebuild Japan. Both Nissan and Toyota used the same engines for their wartime trucks and passenger cars, and approval was seen as reducing parts stocks needed to maintain the trucks.

Time progressed and on January 23, 1947 the Japanese government submitted a second petition to SCAP to build automobiles, entitled *Application for Permission to Manufacture Small-Sized Passenger Cars*. In June, 1947, GHQ responded with Memorandum No. 1715, granting permission for annual manufacture of 50 "large-size cars" with engines over 1.5 liter, and 300 "small-size cars" which would be less than 1.5 liters. However, the memo prohibited private sales or use. The cars could go only to hospitals, doctors, police, government, or public organizations. They must be made from available prewar materials; however, the previous 1,500 monthly cap on truck manufacture was lifted. As time passed, this can be viewed as an early indication that SCAP/GHQ had begun to recognize the high cost of restoring Japan. Movement should be considered to allow Japan profitable industrial activity to helps reduce such costs.

In November 1948, the Ministry of Commerce and Industry (MCI) approached SCAP with a request to relax the annual cap of 300 small-size cars and permit 4,800. MCI received no response from SCAP.

In both March and June 1949, the MCI, (again, MCI was renamed the Ministry of International Trade and Industry – MITI, in May, 1949), made a revised request for 3,000 vehicles, of which 600 were to be exported. They received no response from SCAP/GHQ.

On July 14, 1949 MITI submitted a formal petition to free the Japanese motor vehicle industry from constraint, and made a second call on August 16, 1949. The overall effect of SCAP policy during the occupation is seen as delaying the restart of the Japanese automobile industry, though our published scholars observe that SCAP policy simply followed Japan's wartime controls which had been restrictive anyway. It is stated that SCAP controls on Japanese production had less effect than the simple lack of available raw materials.

Kiichiro Toyoda followed these petitions up with a report to SCAP he published in August 1949 entitled *The Problem of Small-Sized Passenger Cars*. In it Toyoda argued the need to eliminate the restrictions, increase production, and expand export.

Finally, on October 25, 1949, SCAP/GHQ promulgated Memorandum No. 2053 which lifted all restrictions on the Japanese and their motor vehicle industry. SCAP made known its hopes that Japan would export motor vehicles to help pay for rebuilding of its country and to lessen its dependence on United States support. A monograph published by SCAP in 1950 suggested that any country with roads but no indigenous auto industry could benefit in buying from Japan. SCAP observed at the time there were over 200,000 trucks in Asia, and estimated a market of 33,000 existed as replacements based on a 6-year life cycle. Japan should get at least a third of this in sales.

At this point, the considerable internal planning, establishment of goals and objectives, coordination meetings with the ministries, and the written guidance that the Japanese motor industry leadership had been doing gained traction, though not without certain opposition. Documentation appears in the sources above. Taxi companies opposed domestic production, preferring their winning formula using large imported cars. The president of the Bank of Japan, Naoto Ichimada, was strongly opposed, though did not single out automobiles, as he criticized all types of industry which he believed Japan should leave to others. Ichimada's statement was published in the April 12, 1950 issue of Nihon Keizai Shimbun. It is rather infamous, according to Genther. He is quoted as stating: "In discussing increasing exports, we have to follow the principle of the international division of industry. For instance, developing an automobile industry in Japan does not make much sense" (Genther, page 72). Such shortsightedness was overruled and the early 1950s actually proved a time when Japanese governmental bureaucracies, most lending institutions, and the private motor vehicle industry were in tune with each other. In a signal shift from trucks, in April 1952 MITI released its statement equating a strong passenger car industry with fueling a new Japanese way of

life and assuring Japan a participatory place among world industry. MITI's Machinery Bureau viewed automobiles as an important pinnacle of the modern machinery industry. They were watching what Volkswagen was doing, while Japanese finance ministers had strong lingering concerns about foreign exchange deficits should filling passenger car demand require importing foreign cars or worse, allowing foreign manufacture on their soil with profits sent abroad.

For MITI, it became a time to support long-term campaigns of technical development to design passenger cars, and create practical skill sets for factory labor and management to build modern cars. This was the time to foster the market through programs that supported consumers buying the cars, and as we will see below, also a time to use the power of MITI for protection from extremely strong foreign competition wishing to import or build transplants on Japanese soil. At least two events, among many, seem especially key to success.

The first event was actually a series of significant orders for Japanese trucks filled predominantly by Nissan, Toyota, and Isuzu. The Japanese Self-Defense Force was founded on July 8, 1950. It had 83,000 members and during the period July 1950 – July 1951 ordered 2,259 trucks. The Military Supply Agency (MSA), supporting reconstruction work in Japan, ordered 10,321 assorted trucks, buses, dump trucks, weapons carriers, and engines during the period 1950 – 1953. Most MSA orders came during 1950. Finally, June 25, 1950 saw the start of aggression in Korea and United Nations truck orders, with parts and equipment, for the Korean war would come to 12,010. Genther broadly cites an income of between \$2.4 billion and \$3.6 billion to Japan in these procurements during the period 1950 - 1955, while Cusumano observes these "special procurements" comprised a first boost to learning new technologies and applied mass production. No less preeminent an Asian expert than Chalmers Johnson, whose published works include *MITI and the Japanese Miracle: The Growth of Industrial Policy, 1925 – 1975*, Stanford, 1982, opined that these truck orders and the income generated were altogether the key to revival of the Japanese motor vehicle industry.

One additional note would be that Nissan's man running the first Datsun factory in 1935 and who originally hired Mr. K, Soji Yamamoto, had left Nissan by 1947 to found his own company, Fuji Motors Company, Ltd. (Not associated with Fuji Heavy and Subaru). His facility in Oppama became the leading example of 14 such companies participating in "Operation Rollup," a United States military program planned as early as late 1945 and in full swing by 1948 to make use of existing, if run-out, 4-wheel drive vehicles "scattered all over Asia" from the war. These vehicles had been abandoned in the hasty postwar pull out, and were certainly available for more use if rebuilt or repaired. An enormous array of Japanese-produced automotive parts was supplied in this effort, significantly improving the quality and capabilities of Japan's nascent auto parts makers. Teams of American engineers provided a great deal of instruction in systems of quality controls and inspection. During the Korean War, Fuji was restoring as many as 4,000 vehicles per month (Chang). Overall, approximately 187,000 vehicles were restored back to running condition by Fuji. Genther opines that this demand for vehicles and parts provided an important source of stable income during a critical time. Fuji Motors

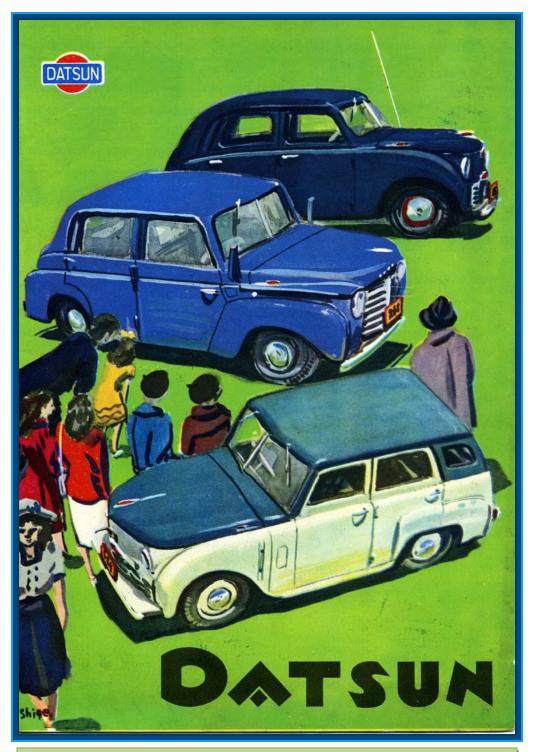
employed 9,000 workers in dire times, earning them \$50 million by the program's January 6, 1959 conclusion. Not a bad achievement for the man who hired Mr. K.

Japan returned to independence on April 28, 1952. If Japan and her auto industry was slowly getting back on its feet, so too was Europe and their motor vehicle industry. Desperate need for income drove their search for markets and sales. Our second case, wherein the power of MITI comes to play, occurred when these foreign makers tried to invest their capital on Japanese soil. By April 1952, many European motor makers had already been conducting market research studies in Japan (Genther, page 80). Rootes Group indicated intent to buy land and use Japanese labor to build their cars for Asian sales from complete knockdown packs (CDKs) in a transplant. Other interested parties included Renault, Standard, Opel, and Fiat. Detroit, struggling to fill pent-up American demand, was reportedly more interested in European markets so they generally stayed out. However, Chrysler was attracted to Fuji Motors capabilities with diesel engines. When Fuji approached Chrysler about making up to 1000 Chryslers a month, they actually became the first pair to submit a proposal to MITI for a technical tie-up. The desire of relatively advanced foreign automakers to set up shop in Japan forced MITI to take action. MITI acknowledged the need for foreign assistance to learn how to make automobiles, yet it seemed mandatory to control how the tie-ups would work. MITI's policy might seem harsh outside the context of lessons learned from Ford and Chevrolet's prewar transplant dominance. MITI was lucky in a sense. European automakers were desperate for income and any way to grow their export markets. The United States was intent on Japanese self-sufficiency, as well as seeing an ally in the coming Cold War.





Datsun's first postwar automobile, the DB, appeared in 1949 with essentially a prewar Datsun rolling chassis. The 1950 version was given a larger engine in an effort to advance the design. Overall, however, it was efforts such as this that convinced MITI of the need to learn from tie-ups with competent foreign manufacturers. Original photograph and hood emblem from author's collection.



Front panel of an early Datsun brochure from a print run dated January 1951 depicts a blue over white Datsun Wagonette, a medium-blue Datsun Thrift Sedan Model DS, and the dark-blue Datsun Deluxe Sedan Model DB. "Shige" in the lower left is the artist, Shigehiko Ishikawa, a close friend of Mr. K's. Among Mr. K's favorite early brochures, the artwork hung at Nissan HQ but has been lost. Image from original brochure in the author's collection.

Events moved quickly and so did MITI. In June, 1952 MITI promulgated *The* Basic Policy for the Introduction of Foreign Investment into Japan's Passenger Car *Industry*. This was followed on October 3, 1952 when MITI published *The Policy* Relating to the Treatment of Technical Tie-Ups and Assembly Contracts in the Passenger Car Industry. These policy directives contained significant provisions which had to be obeyed by any foreign maker intent on entering Japan. MITI guidance to Japan's automobile makers was also explicit concerning whom they should consider tying up with. Small European cars were strongly "preferred" over large American cars. MITI would support using Japan's foreign currency holdings earmarked for importing complete cars, to import necessary parts instead. Participating Japanese companies must try to obtain full rights to market and sell the cars throughout Asia. Parts initially imported must ultimately be made by the Japanese in Japan. Essentially, the October policy stopped foreign transplants cold, allowing foreign tie-ups only with the strongest Japanese chassis assemblers to protect the smaller Japanese companies from being taken over. The foreign makers would be able to invest their capital with the large Japanese assemblers if MITI judged case by case that it helped Japan's domestic industry. Foreign sales operations were prohibited on Japanese soil, and the Japanese assembler would be granted full manufacturing rights to the automobiles. Japan would allow the importation of raw materials not otherwise made in Japan. The key for the foreign makers was that the Japanese government guaranteed the remittance of royalties and patent fees. MITI's October policy directive mandated parts "domesticization." Within five years 90% of the parts making up the foreign car must be made in Japan. Essentially, MITI policy offered significant cash flow to any foreign auto manufacturer meeting all the requirements, in exchange for Japan gaining the capacity to essentially make the cars themselves.

Eleven foreign auto manufacturers entered talks with Japanese counterparts. Only four would be successful. The attempts failed between Fuji Motors and Chrysler, Prince and Morris Motors, Kyosan and Simca, Tokyo Motors and Standard/Triumph, Daihatsu and Studebaker, Komatsu and Volkswagen, and one of the postwar Mitsubishi concerns and Kaiser. The four successful tie-ups included the finest class-leading small passenger cars at the time. Nissan did extraordinarily well tying up with Austin.

During the period 1953-1959 Nissan and Austin tied up and Nissan built 22,859 Austin cars at their factory in Yokohama, plus 1,045 of a Nissan-designed Austin Cambridge Estate Car variant. Approximately 2,000 were Austin A-40 Somersets, a body on-frame design built from CKD packs, and the rest were Austin A-50 Cambridge, a very advanced unibody that ultimately Nissan would make 100% on its own in Japan. From 1953-1964 Isuzu would build 51,789 Rootes Motors' Hillman. Hino made 37,661 Renault 4CVs from 1952-1963, and Shin Mitsubishi made 55,322 Willys-Overland Jeeps from 1952-1964. The total of almost 168,000 cars made during this 11-year period is relatively small considering the Japanese assembler had to be supplied by the foreign maker with a full assembly line designed to run profitably only at far higher volumes.

In allowing these tie-ups, MITI recognized that Japan was quite behind global standards for passenger cars, a situation only aggravated by GHQ/SCAP's delay until October 1949 granting permission to build cars. Japan needed the tie-ups. One of MITI's

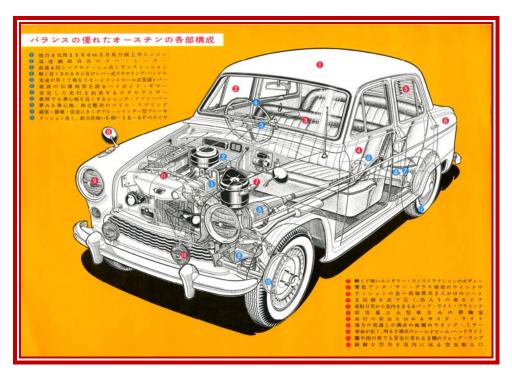
rules proved most troubling to the foreign makers, while of paramount importance for Japan. This was the requirement for "domesticization" of everything that went into making a car. The rule was a foreign maker must grant approval of up to 90% of all content be made in Japan, and there were time constraints to meet in doing so. Domesticization was done piece by piece. After the foreign maker was convinced the Japanese replacement part was as good as the foreign original, that part was deleted from the CKD pack. MITI's intent was that the Japanese would learn to make parts to the highest standard. But for the foreign makers, this rule meant giving up a lucrative market selling replacement parts down the road. So it came as little surprise when by 1955 MITI was charging Renault and Rootes with intentional delay. In March 1955 MITI issued New Guidelines on the Domesticization of Foreign Passenger Cars which essentially threatened curtailing the whole program.

Renault and Rootes were not the only maker to work this angle. Indeed, we have a splendid review of the situation between Austin and Nissan that clearly demonstrates the future value these tie-ups yielded for Japan. The unexpected source is found in Men and Motors of THE AUSTIN: The Inside Story of a Century of Car Making at Longbridge, Barney Sharratt, Haynes Publishing, 2000. Chapter 15 is entitled Letter from Tokyo. pages 148-156. The letter referred to was written in 1954 by Nissan's Saneyoshi Kaoru to Mr. Les Farmer, Austin's chief ratefixer in the Longbridge press shop. Kaoru-san was thanking Farmer for teaching Nissan how Austin's sheet metal presses worked as fast as they did. Sharratt returned to Japan in 1993 and located some of the Nissan personnel who had participated in the Nissan-Austin tie-up. Sharratt found that many high rankers, Nissan's so-called "whiz kids," had in fact been a part of the project back in those days. No less than Yutaka Kume, President of Nissan from 1985-1992 and serving as chairman at the time of Sharratt's 1993 interview, had been in charge of 100% domesticization for the Austin Cambridge. There is a lot in this chapter, but two aspects stand out. One deals with the law of unintended consequences, while the other shows how important personal friendship can be across the years.

Regarding domesticization, Sharratt reveals that Austin regularly rejected the parts Nissan sought to domesticize. This would happen over and over until the part Nissan proposed to make themselves was of clearly higher standard than Austin's original. Locating the Austin man responsible for coordinating the domesticization program with Nissan, Sharratt quotes him saying, "The Japanese didn't complain, they just sent further samples which were far better than those we were using. In effect, we were forcing them to work to a higher specification than our own. I've often wondered whether it was we who ensured that the Japanese were going to beat us on quality" (Sharratt, page 153). The law of unintended consequences being what it is, Austin's factory in Australia discovered Nissan's parts to be of higher quality than what Longbridge could offer and began using Nissan parts to make their cars. The Australian's engines ran without leaking oil. By 1956, 3 years and 9 months after beginning their tieup, Nissan's domesticization was 100% complete for the important A-50 Cambridge. The tie-up came with rights to apply Austin's technologies and patents wherever Nissan chose. They had a real winner in the Cambridge 1,500cc Austin B-Series engine. It was this engine that the American engineer Donald Stone would advise Nissan to simply rebore and stroke as needed. Nissan ultimately made two million B-series engines in four derivative sizes during the period 1955-1972. A final note comes from Kume-san when he talks about Nissan's 1986 decision to open their Sunderland factory in England. Speaking to the generally well-educated British labor, the well-developed financial markets, and the importance to Nissan of the English language (versus locating the factory in a European country), Kume-san nonetheless cited his fond memories of the kindness shown him by Austin some 35 years earlier as among the deciding factors.









The first Austin, an A-40 Somerset, was completed from a CKD pack by Nissan on April 4, 1953. An Austin executive working with Nissan's personnel as they studied at Longbridge opined that compared with the Japanese, his own British "... seemed like boisterous, fourth-form school boys. The Japanese were steady, properly educated, clued-up blokes, determined to do it right. Just ordinary men, but each had his own specific job to do" (Sharratt, page 149). This brochure is dated May 1957. Nissan was soon providing upgrades on their A-50s, such as fog lamps, two-tone paint, and silver side flash, making the DeLuxe versions attractively similar to the Austin A95/A105. From August 1956, these Nissans were 100% Japanese-content cars. Brochure from author's collection.

Opportunities and Events Shape the 1950s for Mr. K

It is hoped the reader finds valuable insight in this necessarily abbreviated chronology of important events so far. These serve as the foundation for the postwar restart of the Japanese motor vehicle industry, and Nissan's place in it. Mr. K made his fair share of contributions before he came to America to lead Nissan and its Datsun brand. We turn here next.

From GHQ's original sanctioning of nationwide labor unions, relations began to get rough by the late 1940s. Stabilization programs were instituted by late 1948 in an effort to end inflation. In February 1949 a Detroit banker named Joseph Dodge was brought in to effect a severe austerity plan which was called "the Dodge Line." Nissan laid off 1,811 workers in October 1949 and cut wages by 10%, and Toyota in late 1949 was on the verge of collapse. Toyota suffered a strike from April 7, 1950 – June 14, 1950, after dropping their labor force under a Bank of Japan grant agreement from 8,112 to 5,994. Kiichiro Toyoda was forced to resign. Though signs of future truck orders and nascent plans to spark a domestic passenger car industry pointed to better job security, conflict heightened as union organizers attempted to consolidate a national labor union. The upshot was a strike in 1953 at Nissan that would determine the course of Japanese automobile industry labor, and bear on Mr. K's future with the company.

Mr. K was not enamored of the idea of labor unions, while at the same time fearless (or heedless) in crossing swords with the centers of power at Nissan. In one of several chapters detailing Mr. K (David Halberstam, *The Reckoning*, William Morrow and Company, 1986. See chap. 16 "The First Victory," and chap. 25 "The Liberation of Yutaka Katayama"), Halberstam writes about Mr. K's relationship to auto unions. "In his perfect world, there would be no unions. Managers would deal with their workers in a traditional, honorable Japanese manner that reflected well on both labor and management and that accorded both sides dignity and honor...." Mr. K remained true to his grandfather's Confucian teaching. Fulfilling the obligation to work diligently, labor is to be trusted with respect by management and line employees are not to be abused, threatened, or coerced. Management bears the duty to be alert and responsive to workers' needs.

The enterprise, or company, union model in contemporary Japan resulted from settlement of the Nissan labor strikes of 1953. In this model, each manufacturer has its own company union, as do the parts manufacturers, dealers, and carriers. These company unions join together into a group called a Union Federation centered around the manufacturer. An industry-wide confederation, known as the Confederation of Japan Automobile Workers (JAW), "serves as the confederated body for such federations of enterprise-based unions" (from the website www.jaw.or.jp/e/). Japanese enterprise unions matter and appear to significantly impact on behalf of labor in dealing with management. However, the individual unions are based within auto makers that compete against each other. There seems to be cultural appeal to this and the Japanese model exhibits behavior inherently different from American labor models, which is evident in reduced aggression in labor actions and more flexible work rules. Let alone growth in market share, perhaps

the industry's survival itself, if taken from the perspective of the early 1950s, was also at play. The enterprise unions do not readily risk their company's competitive advantage over labor issues. The greater flexibility offered management by Japanese labor since 1953 appears significant in the rise to global dominance they enjoy today.

During the strikes that shut down Nissan in the later half of 1953, Mr. K was middle-level management and broke the national union lines to bring food and news to his colleagues working inside. After the dust settled, he steadfastly refused to join the new company union, even when repeatedly asked by its leadership. Halberstam reports that Mr. K sustained his opposition, even though his friends and associates told him that he should do something good for Katayama for once and join the union, instead of thinking about his convictions. He long held off joining. What he saw was a situation where the best assignments went to those well connected in the company enterprise union. There were problems with corrupted promotions, patronage, and cronyism. Particularly egregious to Katayama was that union board members became aware of company direction well before middle-level managers such as himself, who would presumably be responsible for carrying directives out. Finally and grudgingly, Mr. K joined, but by that time he wasn't considered very reliable. Coming out of the early 1950s era of labor unrest in this manner, selecting the high road strong in his own convictions, he really had to work hard and find original ways in order to make contributions. He did just that.

Mr. K's Achievements of the 1950s

There were three lasting achievements that Mr. K can claim for the decade of the 1950s, his last decade at Nissan in Japan before coming to America. These included the early 1950s creation of a "People's Car" called the Flying Feather, which fulfilled his lifelong dream to create a car for the common man, and the design of the event logo used at the first Tokyo Motor Show in 1954. Indeed, Mr. K was a major voice behind getting that 1954 show off the ground. Finally, he would coach the team of racers driving a pair of Datsun 210s (also called Datsun 1000s due to their 1 liter engines) in the 1958 Mobil Gas endurance race in Australia. As he would prove in growing Datsun in America, he had a real knack for using racing as a way to capture the market. Datsun's important racing success in Australia resulted in his spending a full year touring Japan promoting Datsun.

The Flying Feather and Building a People's Car

The times in Japan were harsh during the late 1940s and early 1950s. Mr. K set about developing an inexpensive car that the average citizen could afford. It has also been said that Mr. K was seeking respite from the rising union ugliness at a foundering Nissan during this time. In a late 1940s interview given to *JapanCar Magazine*, Mr. K relates having been with a friend overlooking Yokohama harbor. Watching the seagulls, Mr. K observed how efficient they were in flight and how little they seemed to consume when eating scraps or fish. He wondered if such a concept could apply to an automobile and from this grew the initial drawings for what became the Flying Feather and most likely also its name. The friend was our Ryuchi Tomiya, the previously mentioned early Nissan

stylist responsible for Datsun interior design and the leaping-hare hood ornament. By 1951 one of a number of prototypes of the Flying Feather had been built "in-house" at Nissan. Actually, Nissan had little desire to build such an ultralight car, while in-house construction really meant "in" the second floor of a building. Reportedly, a window had to be cut to get the finished prototype hoisted out as it would not otherwise fit through the building's doors or passageways. By 1954 and 1955 a company called Suminoe Engineering Works, which held contracts to build Datsun interiors, actually made 150 to 200 Flying Feathers (reference sources differ as to the total number built) from those original prototypes designed and built to Mr. K's specifications.

The story of these "People's Cars" is told in *The Origin of Competitive Strength* (Springer Press, 1998) by Akira Kawahara. He served in the Automotive Section of the Ministry of International Trade and Industry (MITI) during the period 1947 – 1957, promoting the auto industry. Following that came a full career at Toyota, ending in 1986. In his book, Kawahara provides firsthand insights into these formative events in the Japanese auto industry. It is a fascinating account, however its original title, *The Origin of Competitive Strength*, seems misleading. Kawahara's paramount thesis, an often seen refrain in writing by Japanese about their business models, suggests a better title might be *The Origin of Corporate Strength is Found in Competition*.

MITI established the People's Car program and Kawahara claims to have been its creator. He had contact with both Mr. K and Ryuichi Tomiya after their prototype had been built, but at the time Tomiya was getting nowhere selling the car to MITI. Kawahara tried to remedy this by writing "A Concept for a New People's Car," as an article for the trade magazine *Ryusenkei* in February 1953. From this start, Kawahara states he went on to promote the idea in various venues, using European trends in cars such as the Volkswagen Beetle, Fiat 500, Renault 4CV, and Citroen 2CV in favorable comparison. Finally, in March 1955 he was tasked by MITI to write a "General Plan for Promoting a Car for the People." Kawahara claims that this plan "helped give shape to the passenger car industry." Here one sees a natural gravitation back to Ayukawa's original intent in promoting Datsun. The idea was to get manufacturers to compete in designing a car that met various specifications for price, size, engine displacement, carrying capacity, and fuel economy. The successful competitor would find strong motivation in promised MITI support. All the small players making 3-wheelers, such as Daihatsu and Mazda, were enthusiastic, sensing a subsidized way to break into 4-wheel automobiles.

In retrospect, the strict design goals most likely presented insurmountable challenges and MITI dropped the program. Reception to the MITI plan by established automotive manufacturers was strongly negative. Genshichi Asahara, then president of Nissan, was not supportive. He is on record making a statement we read again and again in automotive literature about industry leadership biased against low-priced compact cars. According to Kawahara, Nissan's president would privately admit that the People's Car was a good idea, yet in public stated: "Not only is it impossible to build a car at such a low price, but it isn't even necessary. If someone wants a low-priced car, they can buy a used one" (from Kawahara, *The Origin of Competitive Strength*, page 15). Yet Nissan USA under Mr. K would prove the opposite selling in America. Big 3 leadership shared

this view and failed to embrace small, fuel-efficient cars, leading by the 1970s to just such an opportunity for companies like Kawahara's Toyota, or Kawamata's Nissan in America. Assuming your company recognizes the unfilled market niche, building low-cost, reliable, compact cars represents a commitment to delay higher profits generated by larger, up-contented cars in favor of an initial bias toward market share. In Asahara's statement similar to Detroit's thinking, we see Japan's big assemblers also didn't want to start any farther down their market's business model where miniscule profit margins were found in MITI's basic, or People's Car.

So, at the time there were long odds against Mr. K's conviction in a People's Car. We see in his determined promotion of the Flying Feather another example of this unique auto industry executive at loggerheads with his colleagues for reasons he believed were right. As Kawahara states, it was Nissan's Genshichi Asahara himself, also then acting as chairman of the Japan Automobile Manufacturers Association, who "filed a formal objection to the plan, and MITI decided that its implementation was premature." Thus ended support for cars like the Flying Feather. Suminoe Engineering Works, having lost its contract for Datsun interiors, went bankrupt manufacturing Flying Feathers.

Mr. K never lost his conviction for this kind of automobile. Biographies of Henry Ford report that the young Henry chanced upon a steam engine at age 12 (1875). Mr. Ford consistently claimed this was the great motivation for his life's work with Ford automobiles. In similar fashion, Mr. K reports having seen a Briggs Cyclecar, sort of a powered go-cart with an engine-driven fifth wheel, when he was very young. This would serve as his inspiration toward small and efficient automobiles. Recently learning of Mr. K's source of inspiration, the Briggs Company provided him with a scale model of the cyclecar he saw so many years ago!



ROCO Models of England has produced a total of 25 Flying Feathers in 1/43rd scale. Author's collection.



Photographed in 2008, Mr. K holds the Briggs Cyclecar model given to him by the Briggs Company historians. Chancing upon a real Briggs Cyclecar in Japan during early youth served as a source of Mr. K's thinking that resulted in the Flying Feather, and as life inspiration for promoting the Datsun.

The First All-Japan (Tokyo) Motor Show and Mr. K's Event Logo

During the early 1950s Mr. K became attracted to a company position promoting Nissan through advertising and public relations. Once again, he was cautioned by his friends to avoid taking this position as PR was poorly thought of in general. Mr. K felt otherwise and longed for the opportunity to demonstrate the company's automobiles and intentions for the future. He worked with colleagues at other manufacturers in the goal of establishing an All-Japan Motor Show as an international venue where they could showcase their cars. He managed to attend or examine various auto shows around the world, such as those in London, Paris, and Turin, and set about trying to convince everyone that such a show should be held in Japan. This was not as easy a call as one would think. At the time, advertising managers such as Mr. K were meeting on their own in a group they called *Muikakai* (The Sixth-Day Club), and their idea of an all-Japan auto show faced opposition from auto trade journals which were already doing shows for their own purposes. Yet the benefits to Japan's auto manufacturers in their matching international motor show activity abroad soon become apparent.

Success in his bid for support of the first All-Japan Motor Show presented another matter for Mr. K. He had observed that the foreign shows all had a unique logo and he realized that Japan's show should too. The artist Ryuten Itamochi created the actual logo to Mr. K's design.

One may certainly come to various interpretations of Mr. K's logo, which depicts a well-proportioned, vaguely Greek athlete turning a wooden wheel by gripping its

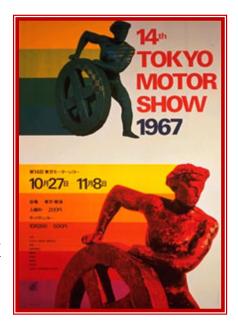
perimeter. An enormous statue of it was created and displayed at the entrance to the first Tokyo Motor Show held April 20-29, 1954. As a lasting contribution, the logo has appeared in one form or another on banners, posters, brochures, and lapel pins at these shows down through the years. To me, noticing that in this logo a man, rather than the engines we design and build, is depicted making the symbolic wheel turn seems to honor the creative human mind as the real source of power behind the vehicles that would be on display. Mr. K wanted people to attend the Tokyo Motor Show to discover what was new, and for Nissan to discover what would be acclaimed. "Discovery consists of seeing what everybody has seen and thinking what nobody has thought," said Albert von Szent-Gyorgyi (Nobel Laureate, 1937). Such thinking defines Katayama. Reportedly, Mr. K posed as the model used by Itamochi when he created the logo under Mr. K's guidance. And, one of the attractions at the first Tokyo Motor Show was Mr. K's Flying Feather.

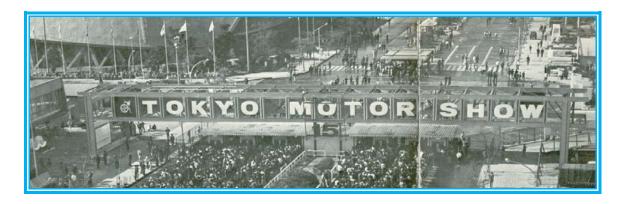


The original huge event logo that was displayed at the First Tokyo Motor Show, April 20-29, 1954.

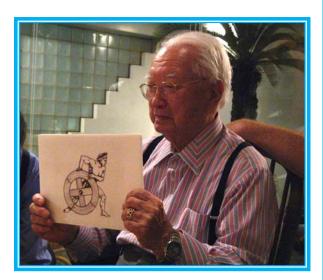
A favorite presentation of Mr. K's Tokyo Motor Show event logo must be considered the 14th show event poster. A history of the Tokyo Motor Shows is available at:

http://www.tokyo-motorshow.com/eng/show/history/





Mr. K's logo is seen on the far left of "Tokyo Motor Show," display sign at the 15th show (October 26 - November 11, 1968).





Mr. K in 2007 holding the artist's rendering of his event logo used since the First Tokyo Motor Show of 1954. Mr. K posed before a full size reproduction at the 40th Tokyo Motor Show of 2007. Notice the addition of the word "since" by the year 1954. Mr. K's symbol has withstood the tests of time.

The 1958 Round Australia MobilGas Endurance 10,000- Mile Race



As the 1950s progressed, Mr. K soldiered on trying to find ways to promote Datsun sales. Racing serves both to advertise the brand and improve technology for the manufacturer, while creating important heritage among brand enthusiasts. This is why racing and preparatory teams by names such as Peter Brock, Bob Bondurant, Paul Newman, and Bob Sharp, were to prove important to Mr. K in establishing a heritage for Datsun in America. By the late 1950s, Mr. K had selected his race. While accounts in historical literature devoted to the Datsun enthusiast abound, a fine description appears in the 1960 edition of the *Guide to the Motor Industry of Japan*, printed under the supervision of MITI and published by the Japan Motor Industrial Federation. The 3-page article begins on page 13 and is entitled *Japanese Car won Special Prize in the World's 10,000-mile Rally: Australian Mobilgas Rally, 1958*. Here is the story.

Toyota and their marque "Toyopet" had entered the Round Australia Mobilgas Endurance Race in 1957, representing the very first time there was a Japanese entrant, and the Toyota finished well overall. The race runs about the perimeter of Australia in just about every kind of environment from desert to swamp. Wallabies and crocodiles get in the way. Drivers have to do this with supporting teams pre-positioned with spare parts, and the start of the race is a staggered event with cars released in groups over several days. Mr. K saw this race as a fine opportunity for the tough little Datsun 1000s. Also called Datsun 210s, they sported a newly designed 988cc, 34 HP 4-cylinder engine strongly influenced by the Austin B-series engine from the 1953 – 1959 Nissan-Austin tie-up. Reportedly, in 1958 over half the 12,000 taxis in Tokyo were these little 4-speed Datsun 1000s. They were essentially small trucks with car bodies bolted on, and while they were heavy at a 2,500-pound empty weight, and slow to get up and go (or stop), they were built to take exactly the kind of brutal terrain this important Australian race would offer.

Mr. K set about trying to convince Nissan management to commit to the 1958 race. The fact that Toyota was giving it another try and entering three cars helped. The company union also became attracted to this competition for its own promotional reasons. Plans were made to enter a pair of cars. These were named *Fuji-Go*, in deep maroon with Mt. Fuji painted on the back, and *Sakura-Go* in a crème color. Both displayed many colorful advertising logos.

A few years earlier, Mr. K had been active in establishing the Sports Car Club of Japan (SCCJ), becoming its first president, and anticipated handpicking drivers who were both enthusiasts and experienced at road racing. However, it was the union boss who

would choose the four drivers from among loyal union men. Only one of these, Yasuharu Nanba, actually knew how to race. Many years later Nanba would go on to serve as a president of NISMO, Nissan Motorsports. Not to be deterred, Mr. K felt that as long as they wanted to race the cars, these men could be coached by him into a real team and that is just what Mr. K did. Once in Australia, he put his command of English to good use. Datsun had pre-positioned service, repair, and parts caches in both Perth and Darwin after Mr. K realized that one of the reasons Volkswagen historically did so well in these long endurance races was they did just that. Indeed, jumping ahead only a few years finds Mr. K in America using this insight about Volkswagen's superior servicing and parts depots to good advantage. He worked hard to establish a reputation for support after the sale when you bought a Datsun. Parts depots, warehouses, and regional centers were regularly opened around America during his tenure.

Japan fielded 10 drivers and five cars in the 1958 race, as three Toyopets joined the pair of Datsuns. This caused a great deal of attention, and fans and autograph hunters reportedly swamped the Japanese. Members of the Australian motor press were allowed to test drive the Datsuns. Kazuyoshi Inagaki, the consul general from the Japanese Consulate in Australia, treated his racing countrymen and women to a fine evening of entertainment the night before they were to join the race. One of the Toyopets was driven by a husband-wife team, Yukiyasu and Misako Togo, with an Australian navigator onboard named Evan Thomas. The Japanese cars began on September 19, 1958 from Sydney's Bondi Beach when Consul General Inagaki waved them off with a large Australian flag.

Sources differ but most state that 67 cars started the race; 12 of them were factory efforts. Thirty-four managed to finish. They came from many countries, with the Germans entering a Porsche (it did not finish) and 12 Volkswagens. MobilGas rules said only designated crews could work on the cars. The Czechoslovakian company Skoda was intent on breaking into the Australian market, fielding six crews and Skoda "440" cars, of which three finished. A team from Kenya reportedly entered an Auto Union 1000, while a team from New Zealand raced a Nash Metropolitan. Twelve of the cars that started were Holden. Peugeot, Austin, Hillman Minx, Vanguard, and Morris raced along with a pair of Chrysler V-8 Royals. Safety was expressly promoted as part of the event. All racers were required to wear seat belts. They had mandatory fire extinguishers and carried food and water for a week in each car. Nevertheless, significant injuries were suffered by drivers and crew.

After 19 days of racing, Fuji-Go, driven by Yasuharu Nanba and Kazuaki Okuyama finished in 24th place overall, but in the "foreign" class they were third after a pair of Volkswagens. Fuji-Go won Class A (under 1 liter). Sakura-Go, driven by Yoshitane Oya and Yonekichi Minawa, was the 34th and apparently final car to finish the race. This placed them 4th in Class A. With the race being a daunting challenge just to finish, the little Datsuns made a significant impression winning such standing their very first time out. Sources differ on the Toyopets, with one source saying none finished as two were rolled and the third hit a kangaroo (one of the Datsuns also hit a kangaroo). The Mobilgas Around Australia race itself was not run again for six years. Of paramount

importance, the postwar heritage created by racing began here for Datsun. This was a signal achievement for the brand.

Nissan president Katsuji Kawamata immediately recalled the cars, Mr. K, and his drivers back to Japan. The entire Nissan board of directors was there at Haneda Airport to welcome home their winning colleagues. Mr. K spent the next year touring Japan from Hokkaido to Kyushu with the cars in promotion of Datsun. People were fascinated by the story he told of these cars winning the Australian Rally. A special brochure was prepared. Nissan now sought to capitalize on these wins and the prestige of being acknowledged in the auto world. They recognized the advantage that economy of scale would bring in competitive pricing for domestic sales should they successfully export cars. The American market was chosen, and Mr. K arrived in Los Angeles on March 23, 1960.



The Winning Datsun 1000s (Datsun 210's): Fuji-Go, left; Sakura-Go, right. Photos from the Nissan Heritage Car Collection 2005 CD-ROM.





The photograph above shows Mr. K's team members, from left to right, Yasuharu Namba, Yoshitane Oya, Kazuaki Okuyama and Yonekichi Minawa. Mr. K appears in the photo below, as he indicated, wearing a black beret.





The panels above show Nissan's original Japanese market brochure dedicated to Datsun's Fuji-Go and Sakura-Go, the two Datsun 1000 MobilGas Around Australia 1958 winners. This original Nissan brochure is single-page and printed on both sides. It is folded 5 times to yield 12 individual panels filled with text and photographs. Its dimensions when open are 17.5mm by 59 mm (about 6 7/8" by 23 3/8"). Mr. K went on tour around Japan to promote Datsun in 1959. Having led the Datsun crews winning this event in Australia, Mr. K came well prepared to make great contributions building a racing heritage for Datsun in America in the 1960s. Author's collection.

Mr. K Builds the Datsun Marque into an American Mainstay

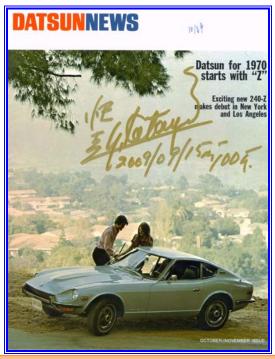
A strong consistency exists between the stories told above when Mr. K promoted Datsun automobiles as an advertising executive during that final decade in Japan and what he would do in America. He always wanted the PR position to be a springboard to see what was working and what the customer desired. Knowledge obtained should smoothly flow to the engineers and designers. Once cars were built, they would be tested and improved. In the 1960s Mr. K created in America what he called the "U Group" (for USA) of Japan-based Nissan engineers who came to America on tourist visas and drove new cars in real conditions. By refining design in this manner and insisting on uniform maintenance and parts depots, Datsun made use of Volkswagen's technique for winning endurance races by pre-positioning parts. With this strategy, Datsun created a powerful marketing tool in their quest for market share.

Toward the start of his work in America Mr. K was asked how he intended to really build the Datsun marque into something that could hope to compete with the power

and capabilities of Detroit. In addressing this, Mr. K is quoted in the book *Yutaka Katayama: A Man Who Realized a Dream in America* (Z Car Club Association, 1998, page 36): "What we need to do is improve our car's efficiency gradually and creep up slowly before others notice. Then, before Detroit realizes it, we will have become an excellent car maker, and the customers will think so too. If we work hard to sell our own cars, we won't be bothered by whatever the other manufacturers do. If all we do is worry about the other cars in the race, we will definitely lose."

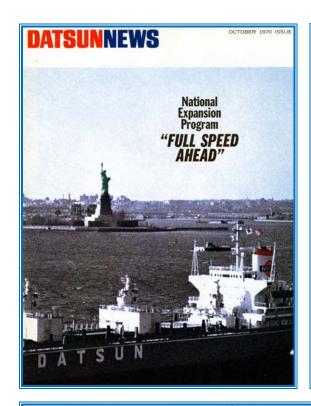
Once the cars were being built and imported, a quotation translated from the Japanese in Mr. K's chapter of *Fairlady Z Story* (Motor Sports Books, Miki Press, 2000) reveals his ideas about how dealerships should maintain the fleet: "I believe regular servicing is the key to a car's longevity. Like a human body, if you look after it, it will serve you well. I instructed the dealers to look after customers with older machines just as much as those with new ones, for if they were treated with kindness and the vehicle continued to run reliably, the better the chance they would recommend the Datsun marque and give you repeat business."

And what about Mr. K's Datsun dealers? By the late 1960s Mr. K's dealer publication, *DATSUN NEWS*, had grown into a high-quality full-color format. Issues contained news about openings of corporate service centers, parts warehouses, future expansion, faster delivery of cars from Japan, news about individuals at Datsun dealerships, personal information about achievements of Datsun employees, and Mr. K's thoughts. Issues proudly displayed and promoted special accomplishments, from the latest new Datsun product to racing conquests. Mr. K's special *Nissan News* column in each issue contained, simply, his executive guidance, and bears a careful reading.





The October/November 1969 DATSUN NEWS was the first to use a full-color cover and arrived just in time for Mr. K to tell dealers about his "Personal Sports Car," the new 240Z! The February 1970 DATSUN NEWS (above right) is devoted to racing with extensive coverage of Peter Brock and BRE's Datsun Roadsters. Mr. K alerts dealers to the importance of his "expensive" racing program, detailing Datsun racing back to 1966. He speaks about the strong advertising for Datsun at SCCA, Road Race of Champions, and television feature films playing nationwide!



New Port Facility Expedites Delivery of Datsun Vehicles



ored for processing at the new D.A.S. (Distribution and Auto es a 22 acre site at the Port of Los Angeles. The new facility, archalls all of the Datasus shoresed through the L.A. Harbert

Phase One

Phase Two













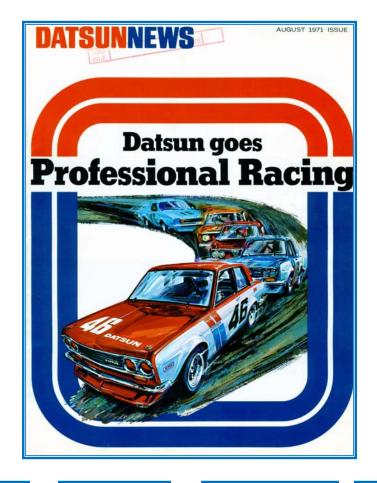
katayama (Continued from Page 3)

"cut-rate competition". The strength of Datsun dealers has always been in their reputation as honest businessmen who sold high quality products and then supported those products in every way regarding parts, service, etc. Make the domestics fight on our ground. Make them learn what you have taken years to learn regarding the relationships between a dealer and a car buyer. This is a case where Datsun dealers are the experts and as the experts, are on the offensive, not the defensive, when it comes to selling against Ford and Chevrolet.

Let us take a lesson from the young people whom we have come to know so well. Datsun dealers must "do their own thing" during the coming months. If we do just that, our success will con-

The October 1970 DATSUN NEWS was primarily devoted to Datsun's rapid expansion. We gain further insight about Mr. K's leadership in his Nissan News column. Facing new small car competition from the domestics Ford and Chevrolet, Katayama insists his Datsun dealers have earned the real title of Expert when it comes to selling small cars. Mr. K provides sound advice to take the offensive and fight this battle on Datsun's turf, avoiding "cut rate competition" price wars.

By the way, did you notice the photograph of those Datsun 240Zs on the docks? They are all ZCCA Gold Medallion trophy winners in this 1970 photo!



NISSANNEWS



Y. Katayama esident, Nissan Motor Corp in U.S.A.

Y. Katayama
President, Nisam Motor Corp.

I sincerely wish that all of you could have been with me on August 12 for the press luncheon at Ottario Motor Speedway to officially announce that the Datsun 510 sedan had been selected as the press for the Calling of t

katayama (Continued from Page 5)

katayama (Continued from Page 3)
car". They're going to see the Datsun
510 in a position of authority and
leadership. This is what a pace as
should be on the track, but it is also a
position that Datsun has honestly
carried after eleven years and countless
miles on American highways.

I have said before, and it certainly
a law in the proper of the properties
paing in Training, and rearries
paing in Training, and promotions like the California 500 mile race
because we're proud of the products
we sell. We sincerely hope that all
Datsun dealers and all Datsun owners
share our pride. Datsun has truly
found a home in the U.S. marketplace
and now has found another home as
part of a truly unique American sporting event.

In the August 1971 DATSUN NEWS, a 12-page issue with fine cover art, Mr. K proudly provides Datsun's extensive racing and rally achievements, now including Dan Gurney driving a Datsun 510 in the California 500 as pace car that year! Mr. K saw racing as a wonderful and potent marketing opportunity not to be missed. And... it was just plain fun!

Peter Brock of BRE **Reports on Trans-Am**

When I think of the chronological order of the races we have participated in, the first thing that comes to my mind is the enormous amount of help we have received throughout the country.

We have been treated so nicely, and with such trust by Datsun dealers, we feel that they have gone all out to help us, and in turn, we felt that we really wanted to help tem.

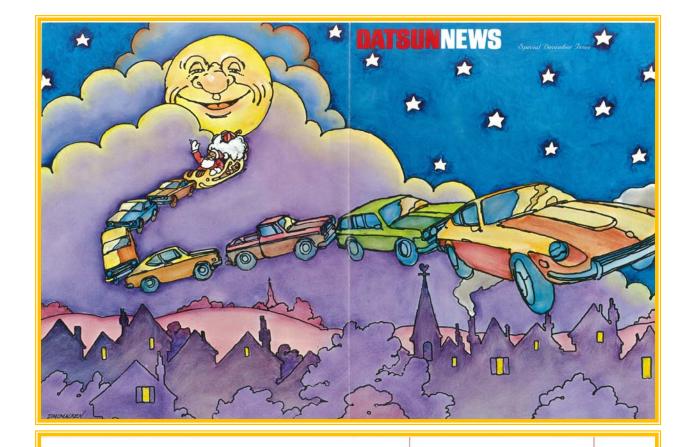
In small towns, with the attendant national advertising and publicity, or the state of the stat

brock Continued from Page 10

shire; Stang Motors, Elyria, Ohio; Ericson Datsun, Edmonton, Alberta; Ingram Datsun, Mansfield, Ohio; Appleton Datsun, Appleton, Wisconsin; Metcalf Datsun, Kansas City; Royal Datsun, St. Paul, Minnesota; Stevens Datsun, Minneapolis, Minnesota, and Pacesetter Motors, Rochester, New York

Without your help and enthusiasm, we wouldn't have been able to do it.

It is really hard to underestimate the contributions of racing personalities such as Peter Brock building Datsun in America. Mr. K wisely afforded him the opportunity in this issue of DATSUN NEWS to thank the Datsun dealer community for their support. **Brock** also strongly reiterates the contribution to sales gained by Datsun presence in widely viewed motor racing.





Y. Katayama



S. Kanasoe

Even though we have seen a great percentage of all Q. S. Datum beaters during 1970, those meetings are mostly connected with business. It is only once each year, around Christmas time, that we have the apportunity to greet all beaters, and their humilies.

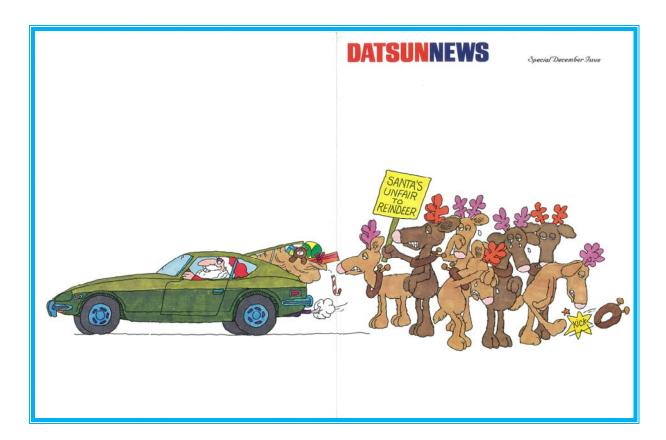
Of course, at Christmas time our first thoughts are of peace and happiness and certainly all of us connected with the Nasan Rhour Coop, in the U.S. A stare when for peace and happiness with our dealers. And since we are concerned about the commercial success of you beakers, we must add that or include sincere withes for perspectify as well

We all know that we must work for prosperity and it's obvious that you Datum dealers have worked hard during 1870 because many, many of you have told us that things are young estremely well for your businesses. It occurs to us that too often ne all frequel that we must work for peace and happiness just as diligently as we do for prosperity. Praves is much more than an upraised hand with U-shaped fingers. Peace is an attitude that must be aggressively presented in our personal lives and in our business.

So, as we think back over 1970 and then had alread to the challenging year to cours, we ask you all to join as and the staff of Nessan Motor Corp. in U.S. The pedage your cooperation in the search for peace and happiness, workhaide. Just as all automobile manufacturers worth the world for ideas and problems with which to create better curs, we must search for ways to freely exchange ideas with all more must search for ways to freely exchange ideas with all more

Remember that as a Datum dealer you are part of a huye work-baide company. In fact, you are literally the wieve of Xisan in your business community, your church, and in your circle of friends. It we work for peace and work-baide harmony we knowly loope that each of you will do your share. Remember if we truly work for peace then this Christmas and all Christmases to come will truly be happy ones.

The "Special December Issue" of DATSUN NEWS ran only for 1970, 1971, and 1972. It was a single page, folded, and as in the case above, featured beautiful, contemporary cover artwork. Inside appears a photograph of Mr. K, and for 1970, of Mr. Soichi Kawazoe, who would finish his tenure as Executive Vice President. Mr. K used these special publications to review the year's achievements for Datsun and reiterate his guidance for Datsun dealers. DATSUN NEWS was first and foremost the corporate publication for the dealerships. It seems Mr. K's opinion that the December 1970 issue, reproduced above, represents perhaps the single most important exemplar of his work promoting Datsun. When I presented the copy to him - and this is a rare thing - he refused to sign the cover artwork, saying it was just too important. Please read Mr. K's holiday season thoughts in the 1970 issue above, and the 1971 and 1972 issues below. These words are key to his leadership. (See addendum for larger print)



Mu Frianch

The 1971 quality obsolve try in Japan was a wonderful experience for all of us. I sincerely hope that every Datum dealer in the 'U. S. has a similar apportunity. For most of the dealers and their wives, the try was some business and a great deal of sightnessing. This is exactly as it should be. For the Datum people on the try, the reverse was true because we had a great deal of business to do and hook advantage of the apportunity for favo-to-fore meetings. In owe of the wage-price freeze, 'U. S. dock strikes and international currency readuations, our meetings in Japan were most timely.

Our parent company is very much aware that XMCSUSA, and Datum dealers have been through a most difficult period in terms of volticle awaitability. They also indicipate that the coming year will truly be a time of extreme competition with both the imports and the domestics working hard to increase sakes and start of market.

Those of as who met with our counterparts in Japan came away from those meetings with revenued confedence in the future of Nissan Molet Co. and Datum in the U.S. market. Whate no mistake that we are facing the toughest sales challenge in our 11 year history. We have grown as you dealers have prospered and I part that some of us have reduced and laken both growth and prosperily for granted. You can never release in our competitive business.

There is an old prover's about the lasy farmer who watered his crop so hurreelly that the water didn't wak in. The crops howed healthy but the voits were shallow and during a hot spell the sun scorched the crop and no amount of water would bring it back. Turtunately, we are just starting to feel the least of competition and there is still time for us and also for you dealers to "lend to our fields!"

XMC will open the new Denver warehouse in Tebruary Boston, and Xorfolk, and a new facility in Jacksonville will follow shortly. Also during 1972 Fortland will be enlarged and our Master Farts Depot in Compton will double in size. We're confedent that the combination of new faculties and new people and high quality products will make as ready for lough competition.

It is vitally important that each of you dealers looks at your on business and makes an honest evaluation. How you tended your cops so that the voods are deep and strong! I believe that each of you know what it's going to take to be competitive but sumetimes knowing and doing are two different things. We realize that the decision to make steedble investments in people, furdifies and equipment is not work.

things. Oe evalue that the decision to make streethle inventionest in people, furdishes and equipment is not easy. But I can guarantee you it must be done.

Xissan is in the U.C. market to stay and I want you to know that the Datum achoick you were (and will be) selling are built to be successfully competitive. But unless our entire Datum dealer body reflects the care and the quality built into every Datum dealer body reflects the care will not succeed. We have lod you many times that we consider you dealers our partners and now, partners, the time has come to prove our

dependence on each other. Together we will swooced. A Joyous Holiday Season to you all. Y. Katayama







250,000 puns, overgreens, etc., will wan be planted in U.S. national furests as a result of the exceptional plo done by you Datisus deaders in the 'Drive R Datism—Plant R Two' relaid prisonless. This was never concessed as a Cheristmas Program, but since the clovels has just been and to the U.S. Droved Service be jump for the planting of the trees, I feel strongly that the connection is absiniss. I have used to you many times that Datisum—U.S.A and you Datisum deaders must continue by you before we can expect to warn their right to recome benefit from our lideous. Term a national point of even in the planting of which we are a meeted by a will be facilities and create the jobs that act as a meetion for our over-growing Datism distributorishy. But, in many ways we are insuitable, the belief the women supplier of vericles, parts, technical instruction, etc. for your deaders. You, and your retail businesses, are the justit where Datism causes fully into the public eye. It a through your stores that we must focus the many ways of giving that are absolutely assential for present and future success.

future success. These dun't think that I m being subtle in any way when I talk about the gaing that you must do. Think for a moment about the ways that you and your employees build customer kyally and suitsfection. It's not enough to sole il abatum owhick and give the customer a reliable, well-engineered means of transportation. Your parts supply must be adequate to insure perfect availability. Your versice premond must give themselves to customal training by utray are to support buth the vehicles and the other employees within you

are is support buth the volicides and the other employees within you business who depend upon the reputation created by service. I warry when I fear compliments from those outside of our business about him well our dealers are doing. My concern a that business about him well our dealers are doing. My concern at that continued success will cause us to fraget that our responsibility for giving grous even greater as our stature increases. At this Christmas time it seems natural to talk about young but as I wait all of you dealers, your families, and your employees, the every best for this holding season, may I also sale you to subopt a philosophy of gining a basic to your histones. If we all concentrate on that philosophy every day of the year, the future of Datum and the success of your Datum dealerships will be assured.

As Mr. K grew Datsun, the opening of a new Regional Office and Parts Warehouse seemed to occur several times a year, especially during the early 1970s. Small items such as ashtrays, coaster sets, wall tiles, and paperweights were issued to commemorate these important events, even as the early 1970s issues of Datsun News proudly detailed the openings to Mr. K's dealership community.



Commemorating the April 29, 1970 opening of the San Francisco Regional Office. In the background appears a 1980s Nissan advertising banner.

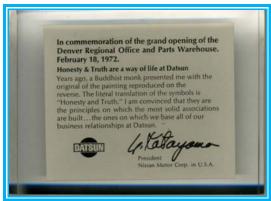


The Chicago Regional Office was opened in 1971.

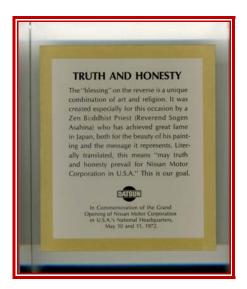
A kanji that translates as "Truth & Honesty" was a favorite of Mr. K, who lost no opportunity to present it as guidance. (Yutaka Katayama, Z Car Club Association 1998, page 126). Mr. K made use of this kanji in support of his management philosophy at Datsun. During 1972, the kanji painting of Reverend Sogen Asahina appears on one side of a small sheet of paper suspended in clear acrylic commemorating the opening of Datsun facilities. The first you see below, dated February 18, 1972, commemorates the grand opening of the Denver Regional Office and Parts Warehouse. A paragraph signed by Mr. K appears on the reverse of the kanji suspended in the commemorative paperweight and tells the story of how "Honesty and Truth are a way of life at Datsun."

Mr. K made a similar use of "*Truth & Honesty*" in the paperweight commemorating the Grand Opening of Nissan Motor Corporation in U.S.A.'s National Headquarters, May 10 and 11, 1972.

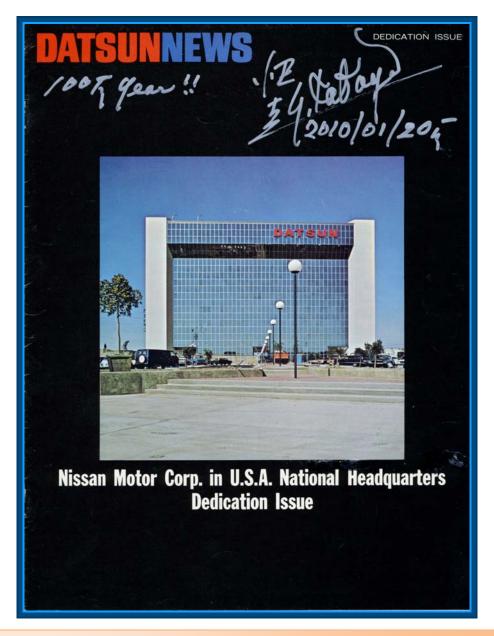








These paperweights represent how Mr. K promoted the philosophy of Truth and Honesty as he guided Datsun during his tenure as President of Nissan Motors – USA.



In 1972, this special issue of DATSUN NEWS was sent to all Datsun dealers commemorating the opening of Nissan's City of Carson, Corporate Headquarters in May 1972. Nissan's first USA HQ was a unique 10-story reflective glass building of 120,000 square feet on 6.5 acres of land. It cost \$4.5 million and was designed by the architect Hayahiko Takase of Kajima Associates. The 9th and 10th floors overhang the front of the building by 13 feet and the glass panes of the 8th floor, the executive suites, angle outward. Kajima ran many computer studies to insure no glare from sunlight would disturb drivers on the bordering Harbor Freeway and San Diego Freeway; 1,277 panes of glass were used. By this time there were 10 regional Nissan headquarters nationwide comprising over 700,000 square feet. In this issue, Mr. K proudly announced that he had visited each of the 10 regional centers over the past 12 months. They geographically covered the entire United States. He viewed his travel as mandatory outreach to both Datsun dealers and owners of the cars to assure their confidence in Nissan Motor Corporation, USA.







Coaster sets such as these in walnut with ceramic covers, and this 6" square ceramic wall tile, marked the opening of new DATSUN facilities throughout Mr. K's tenure as President of Nissan Motor Corporation, USA.

Mr. K left America in 1977. His business model, ideas about selling cars, and career path through Nissan remained controversial back at headquarters in Tokyo where Katsuji Kawamata still wielded power. Even the marque name "Datsun" was soon to come under attack, a move by Nissan that Mr. K believed "reckless" and a direct abandonment of the founding beliefs of Yoshisuke Ayukawa who committed to the name Datsun for Nissan's passenger cars when he founded Nissan Motors Company, Ltd., in 1934. The road grew rough for Nissan, as it did for all manufacturers in the era unfolding after Mr. K left. By the early 1980s automotive media began taking note of the problems Nissan faced, and it was not missed that a seeming abandonment of Mr. K's better qualities of management was potentially at fault. Nissan USA had been a vibrant company under his leadership. One key example of this appears in Car and Driver (Nov. 1983, page 39) at the end of that month's cover piece on the new 1984 300ZX Turbo. The article is entitled Where have you gone, Yutaka Katayama? Next to a photograph of Mr. K taken in 1976 by his 240Z in front of Nissan USA HQ, the text by journalist Michael Jordan well covers the issues at play as Nissan entered 1984 absent exciting new styles. Jordan suggests that the kite-flying, tree-talking, philosophical Yutaka Katayama's imagination, vision, and leadership are what were missing. This single article represents an important example of media assessment regarding the difficult conditions those days at post-Katayama Nissan. The article is reprinted here with permission from Car and Driver to the ZCCA to give ZCCA's readers further insight.

Where have you gone, Yutaka Katayama?



Katayama in 1976, posing with his '72 240Z outside Datsun/Nissan HQ in Carson, California.

 There was a time when Nissan set the pace among Japanese carmakers, a time when it was not content simply to follow the lead of the rest of the industry.

Some people say Yutaka Katayama had a lot to do with that. The founder of the Sports Car Club of Japan and the motivating force behind Nissan's entry into rallying in 1958, Katayama didn't fit the profile of the average Japanese bureaucrat. He liked to build, decorate, and fly kites. He carried his watercolors wherever he went. He was perfectly at ease with philosophical concepts. In corporate terms, Katayama was a man who talked to trees. And so, in 1960, Nissan sent

Katayama away to a backwater country where it was selling only 1000 cars per year: the United States.

Katayama's specialty was advertising and sales, and he set to work right away. He forced his products on garages and used-car lots, building the beginnings of a dealership network. He capitalized on the American serviceman's fondness for the rugged trucks of Japan and made Nissan's Austin-based pickup its top-selling model in the U.S. He recommended that Nissan combine all the best features of European sedans into an economical car, and the result was the Datsun 510, a sleek sedan that changed America's opin-

ion of Japanese cars practically overnight. And in 1970, he brought to life the car he was born to create, the 240Z.

By the mid-Seventies, however, Nissan U.S.A. had changed from a family business into a corporation. Katayama no longer fit in, and in 1975 he was replaced as president and chief executive. Nissan had already turned to the production of cars tailored to marketing profiles; the result was a string of reliable but mundane sedans, from the rocket-boy 610 to the Giugiaro-styled Stanza. At the same time, of course, Nissan became the worldwide industrial presence it is today, a leader in this regard among Japanese carmakers. Even so, Nissan remains innovative only in financial matters.

Fortunately, Nissan finally seems about to turn itself around. The Nissan Technical Center was established in 1978, combining the R&D capabilities of both Nissan and Prince. Late last year, Nissan Design International was established in La Jolla, California, to funnel advanced styling concepts to Japan.

styling concepts to Japan.

All that's needed for Nissan to regain its leadership position is a visionary to chart the way. What we need from Nissan, in fact, is a man who understands cars as well as Yutaka Katayama. If talking to trees brought us the 240Z, it's time once again to strike up a few conversations with plant life.

—MI

NOVEMBER 1983

In recognition of his lifetime devotion to automobiles, significant contributions as an automotive industry executive building the Datsun marque in America and bringing us the Datsun 510 and 240Z, among the most timely Japanese enthusiast cars, on October 13, 1998 Mr. K was inducted into the Automotive Hall of Fame, located in Dearborn, Michigan. Inductees, in the words of the Automotive Hall of Fame, are in "The Highest Place of Honor in the International Motor Vehicle Industry." Mr. K was inducted into the Japan Automotive Hall of Fame at a ceremony held in the National Science Museum, Tokyo, on November 10, 2008. His name has joined all the other greats in the history of automobiles.



"Joyful Riding!" from Mr. K

Y. Katavama

To everyone's delight, Mr. K established a tradition at ZCCA conventions of signing his name for his fans on just about any piece of Datsun automobilia presented before him. Everything qualifies, from Z car sun visors to glove-box lids, original window stickers to posters, Z car books to dealer memorabilia. Small donations are made for his favorite charity. Mr. K does not sign his name in Japanese however. Rather, he places another favorite kanji next to his name, which he then signs in English on a line. The kanji that Mr. K uses is *Kaiso* and it means "Joyful Riding!" With small liberty, Joyful Riding does indeed become Nissan's popular advertising slogan, "Enjoy the Ride," does it not? But there is more. The historical origin of the initials "D. A. T." in Datsun belongs to a company founded as "Kaishinsha" in 1911 by a Japanese entrepreneur named Masujiro (we see his first name also written Satoro) Hashimoto. The final "-sha" in this word is short for Kaisha, which means Company. There is some disagreement among my Japanese friends, who are evenly split between the best translation of *Kaishin* being "Speedy Progress" or "Joyful Riding." Don Cyril Gorham, whose father William Reagan Gorham oversaw design of the first Datsun in 1932 as well as directed construction of the Datsun factory that opened in 1935 in Yokohama City to build it, prefers "Joyful Riding." Mr. K does too. So we see in Mr. K's signature and the kanji *Kaiso* that Joyful Riding was ever the intent for Datsun, even on the very first day when Hashimoto-san opened his factory, The Joyful Riding Company, in 1911.

Enthusiast history of Mr. K's Z car, now spanning four decades, is various and plentiful. People and places, tours and races. Car shows and good times with friends. The ZCCA hopes that this modest biography presenting insight into Mr. K and his life spent promoting his beloved Datsun marque and the Z car in America will enhance your experience and enjoyment at the 23rd Annual International ZCCA Convention. Speedy Progress and Joyful Riding to all! To which we add safe driving along the way.

We end this edition of *Let's Meet Mr*. *K* with coverage of Mr. K's 100th birthday celebrations, and an addendum reproducing pages from a very special 1972 brochure, as well as larger print copy of his guidance in the 1970, 1971, and 1972 December Special Issue of DATSUN NEWS.

For comment please feel free to contact the ZCCA Historian, Dan Banks, at dlbanks54@verizon.net.

The Celebrations to Commemorate Mr. K's 100th Birthday!



Mr. K's 100 Year Birthday Celebration

September 12 - 19, 2009 All Week At The Datsun Heritage Museum



Mr. K Commemorative Car Show

All 1983 or older Datsuns

Join us Saturday September 19th From 10:00am – 3:00pm

\$15 Early Entry Fee (Before September 11) \$20 Entry Fee Day of Event All Entries Will Receive

One Commemorative Dash Plaque with Engraved Autograph by Mr K (Extra Dash Plaques are \$15 each) Awards For Top Three Cars In Each Category

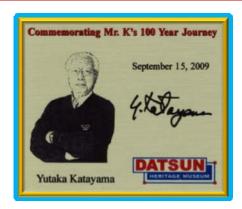
Categories Are:

- Trucks (All Years & Models)
- · Z Cars (All Years & Models)
- Roadsters (All Years & Models)
- 510s (All Years & Models)
- Other Sedans (All Years & Models)
- · Mr K's Choice for Best of Show (Museum's Choice)

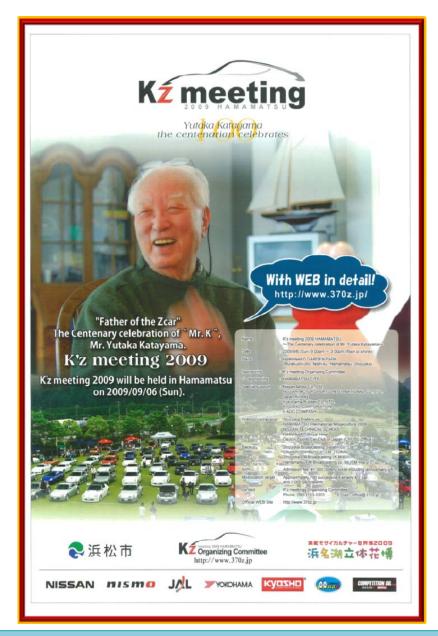


Datsun Heritage Museum - 41610 Date St, Suit 103 - Murrieta, CA 92562 - 951-696-1087





The Datsun Heritage Museum event flyer and the dash plaque for their commemoration of Mr. K's 100th Birthday, held at the Museum on September 19, 2009.



The event flyer for Japan's public extravaganza to celebrate Mr. K's centenary, held September 6, 2009 in Hamanako Garden Park. A special wooden keychain featuring a laser-engraved Fairlady/240Z with Mr. K's signature, and a signed card, were given to attendees.





Nissan's Mr. K: Still blunt at 100 (about that 370Z ...)

TOKYO - Legendary Nissan pioneer Yutaka Katavama, known to fans in the United States as Mr. K. is aging just as well as the sporty Z car he championed four decades ago.

As he marks his 100th birthday, the founding father of Nissan in America is characteristically candid, offering opinions on the Z car's drift from its origins, Nissan Motor Co. CEO Carlos Ghosn and the resurrection of the Datsun brand - something he desires.

"Every day I die at night, but I am reborn again in the morning. I feel 1 day old," Katayama told Automotive News before quietly celebrating his Sept. 15 milestone with family

As head of U.S. operations for what was then Datsun, Mr. K paved the way for Japanese imports to the United States during the 1960s, bringing in the 510 sedan and then the 240Z. The two were instant hits.

But Katayama pulls no punches about the 370Z - the most recent incarnation of his baby.

370Z? 'So-so'

"It's so-so. Very different from the 240Z," he says, sitting in a studio office bedecked with plaques and awards. In one corner stands a golden antique cash register given by a dealer as homage to Mr. K's role as the "cash machine" for early dealerships that risked signing on with Datsun

Katayama has a 350Z in his garage but prefers to drive the family's Versa compact. "First, it's very heavy, and it's also very expensive," he says of recent Z cars when compared with the 240Z.

"Mr. Ghosn thinks he is making a car to make money. I was making an efficient car that can still earn money but also had the dealers in mind," Katayama says. "You dealers are the first customers. So first you make the money. Then I can earn the

Not only is today's Z car too expensive, he says, but its spirit has been usurped by the Mazda MX-5 Miata. Says Katayama: "I'd like to have a sports car like the Miata. The Miata is taking the place of the 240Z.

Such blunt assessments won the outspoken Katavama few friends at

You dealers are the first customers. So first you make the money. Then I can earn the money from you.

YUTAKA KATAYAMA

Nissan headquarters in his early days. He regards being dispatched to California in 1960 as "exile" for fighting the union back home.

Katayama still urges a revival of the Datsun name, which was dropped in favor of Nissan in 1983.

Waxing philosophical, Katayarna says the bigger concern is that car companies have strayed from the erstwhile ideal of replicating man's relationship with the horse.

"Man has lived with the horse for 5,000 years. It's in our DNA," he says. "The fun of driving cars is the same as riding a horse. We need a car that is like riding on horseback.

We are making robots. Robots don't like human control."

Rediscovered Z

Katayama turned 100 just weeks after the first production 240Z intended for sale in the United States was rediscovered in the Connecticut garage of owner Rick Morgan. Internet Z Car Club President Carl Beck of Clearwater, Fla., says enthusiasts had

sun 240Zs were sent to America primarily for press introductions. Another three became factory-sponsored competition cars.

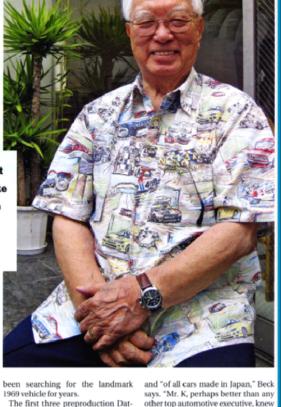
The one bearing vehicle identification number HLS30 00013 was the first intended for sale to the public. Morgan, a former parts manager for Bob Sharp Datsun, bought it, drove it for several years, then stored it in his garage when the odometer hit

The original Z changed American consumers' perceptions of Datsun other top automotive executive, knew and liked his customers in America

Katayama, today a great-grandfather to 14, attributes his longevity to drinking lots of water and the occasional thick, juicy steak. His wife of 52 years is a vibrant 96.

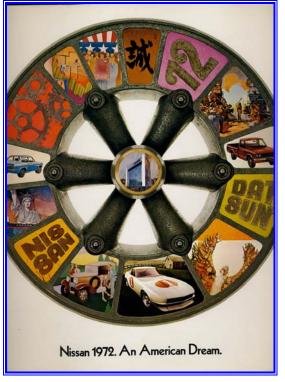
In the weeks before his birthday, he received box loads of cards from well-wishers around the world. "I don't know how I can answer them all." Katavama savs.

Still, Mr. K has no plans to slow down. "I just entered the 100s. I have a long way to go." AN



This article by Automotive News Tokyo-based Asia Editor Hans Greimel appeared on page 4 of their September 21, 2009 issue. Mr. K very much enjoyed being interviewed once again by Automotive News. Of course, throughout the decades they had long covered Nissan, Mr. K, and his Datsuns. Indeed, in a companion editorial appearing in this same September 21, 2009 issue of Automotive News, Editor in Chief Keith Crain opines, "The folks at Nissan today owe Mr. Katayama a great debt. Without his leadership and risk taking, Datsun might well have faded into the Pacific Ocean." This Automotive News article and Mr. Crain's sentiment represent a lasting testament to Mr. K's contributions during his tenure as president of Nissan, USA from 1965-1975. Reprinted here for the 23rd International ZCCA Z Car Convention with permission of Automotive News, copyright 2009, all rights reserved.

Special Addendum











Right to left, top to bottom.

Masataka Okuma — Managing
Director, Nissan Motor Co., Ltd.
and Director, Nissan Motor Corp.
in U.S.A.
Yuji Shimamoto — Director,
Nissan Motor Co., Ltd. and
Nissan Motor Co., Ltd. and
Nissan Motor Corp. in U.S.A.
Naofumi Uchiyama — Vice
President of Finance &
Administration,
Secretary / Treasurer
Soichi Kawazoe — Executive
Vice President and Director,
Nissan Motor Corp. in U.S.A.
Masataka Usami — Vice President
of Parts & Service and Director,
Nissan Motor Corp. in U.S.A.
Kaoru Fukuhara — Vice President
of Marketing
Kazutoshi Hagiwara — Vice
President of Import &
Distribution
Robert O. Link — Vice President
of Sales

Seen above are pages from "Nissan 1972. An American Dream." This exceptional, 28-page, presentation brochure measuring 12" by 12" is filled with beautiful artist's renderings, statements and text to commemorate the opening of the City of Carson, Nissan, USA Corporate Headquarters in May 1972.

Even though we have seen a great percentage of all U.S. Datsun dealers during 1970, those meetings are mostly connected with business. It is only once each year, around Christmas time, that we have the opportunity to greet all dealers, and their families.

Of course, at Christmas time our first thoughts are of peace and happiness and certainly all of us connected with the Xissan Motor Corp. in the U. S. A. share wishes for peace and happiness with our dealers. And, since we are concerned about the commercial success of you dealers, we must add that we include sincere wishes for prosperity as well.

We all know that we must work for prosperity and it's obvious that you Datsun dealers have worked hard during 1970 because many, many of you have told us that things are going extremely well for your businesses. It occurs to us that too often we all forget that we must work for peace and happiness just as diligently as we do for prosperity. Peace is much more than an upraised hand with V-shaped fingers. Peace is an attitude that must be aggressively presented in our personal lives and in our business lives as well.

So, as we think back over 1970 and then look ahead to the challenging year to come, we ask you all to join us and the staff of Xissan Motor Corp. in U. S. A. to pledge your cooperation in the search for peace and happiness, worldwide. Just as all automobile manufacturers search the world for ideas and products with which to create better cars, we must search for ways to freely exchange ideas with all men.

Remember that as a Datsun dealer you are part of a huge world-wide company. In fact, you are literally the voice of Xissan in your business community, your church, and in your circle of friends. As we work for peace and world-wide harmony we honestly hope that each of you will do your share. Remember if we truly work for peace then this Christmas and all Christmases to come will truly be happy ones.

Mr. K's guidance as it appeared in the first December Special Issue of DATSUN NEWS, December 1970. (Reference Page 38)

My Friends:

The 1971 quality dealer trip to Japan was a wonderful experience for all of us. I sincerely hope that every Datsun dealer in the U.S. has a similar opportunity. For most of the dealers and their wives, the trip was some business and a great deal of sightseeing. This is exactly as it should be. For the Datsun people on the trip, the reverse was true because we had a great deal of business to do and took advantage of the opportunity for face-to-face meetings. In view of the wage-price freeze, U.S. dock strikes and international currency revaluations, our meetings in Japan were most limely.

Our parent company is very much aware that NMC-U.S.A. and Datsun dealers have been through a most difficult period in terms of vehicle availability. They also anticipate that the coming year will truly be a time of extreme competition with both the imports and the domestics working hard to increase sales and share of market.

Those of us who met with our counterparts in Japan came away from those meetings with renewed confidence in the future of Nissan Motor Co. and Datsun in the U. S. market. Make no mistake that we are facing the toughest sales challenge in our 11 year history. We have grown as you dealers have prospered and I fear that some of us have relaxed and taken both growth and prosperity for granted. You can never relax in our competitive business.

There is an old proverb about the lazy farmer who watered his crop so hurriedly that the water didn't soak in. The crops looked healthy but the roots were shallow and during a hot spell the sun scorched the crop and no amount of water would bring it back. Fortunately, we are just starting to feel the heat of competition and there is still time for us and also for you dealers to "tend to our fields."

XMC will open the new Denver warehouse in February. Boston, and Norfolk, and a new facility in Jacksonville will follow shortly. Also during 1972 Portland will be enlarged and our Master Parts Depot in Compton will double in size. We're confident that the combination of new facilities and new people and high quality products will make us ready for tough competition.

It is vitally important that each of you dealers looks at your own business and makes an honest evaluation. Have you tended your crops so that the roots are deep and strong? I believe that each of you know what it's going to take to be competitive but sometimes knowing and doing are two different things. We realize that the decision to make sizeable investments in people, facilities and equipment is not easy. But I can guarantee you it must be done.

Nissan is in the U.S. market to stay and I want you to know that the Datsun vehicles you are (and will be) selling are built to be successfully competitive. But unless our entire Datsun dealer body reflects the care and the quality built into every Datsun they offer for sale, we will not succeed. We have told you many times that we consider you dealers our partners and now, partners, the time has come to prove our dependence on each other. Together we will succeed.

A.Joyous Holiday Season to you all. Y. Katayama



Mr. K's guidance as it appeared in the second December Special Issue of DATSUN NEWS, December 1971. (Reference Page 39)

250,000 pines, evergreens, etc., will soon be planted in U.S. national forests as a result of the exceptional job done by you Datsun dealers on the "Drive A Datsun—Plant A Tree" retail promotion. This was never conceived as a Christmas Program, but since the check has just been sent to the U.S. Forest Service to pay for the planting of the trees, I feel strongly that the connection is obvious.

I have said to you many times that Datsun— U.S.A. and you Datsun dealers must continue to give before we can expect to earn the right to receive benefit from our labors. From a national point of view, we as distributors build the facilities and create the jobs that act as a nucleus for our ever-growing Datsun distributorship. But, in many ways we are invisible, the behind the scenes supplier of vehicles, parts, technical instruction, etc. for your dealers. You, and your retail businesses, are the point where Datsun comes fully into the public eye. It is through your stores that we must focus the many ways of giving that are absolutely essential for present and future success.

Please don't think that I'm being subtle in any way when I talk about the giving that you must do. Think for a moment about the ways that you and your employees build customer loyalty and satisfaction. It's not enough to sell a Datsun vehicle and give the customer a reliable, well-engineered means of transportation. Your parts supply must be adequate to insure perfect availability. Your service personnel must give themselves to continual training if they are to support both the vehicles and the other employees within your business who depend upon the reputation created by service.

I worry when I hear compliments from those outside of our business about how well our dealers are doing. My concern is that continued success will cause us to forget that our responsibility for giving grows even greater as our stature increases. At this Christmas time it seems natural to talk about giving but as I wish all of you dealers, your families, and your employees, the very best for this holiday season, may I also ask you to adopt a philosophy of giving as basic to your business. If we all concentrate on that philosophy every day of the year, the future of Datsun and the success of your Datsun dealerships will be assured.

Best wishes,

Mr. K's guidance as it appeared in the third December Special Issue of DATSUN NEWS, December 1972. (Reference Page 40)