



BY A. R. ROALMAN

# The Japanese Auto Industry —Another Rising Sun

**T**O UNDERSTAND the Japanese auto industry you must first drive in Tokyo.

Some differences between Japan and the United States become obvious. They drive on the left. Most steering wheels are on the right. Cars are smaller.

But you have to stick with it for awhile to discover some of the less obvious differences:

—Jammed as Tokyo may seem, all of Japan has only 2,000,000 registered passenger vehicles, about 3.6% the number in the United States.

—Most cars sold in Japan have a dealer pricetag in the \$1500 range; in the United States, the majority of cars sells for closer to \$2500.

—Gasoline sells for 60 yen (about 16¢) a liter, or about 68¢ a gallon, so motorists in Japan, which must import nearly all its petroleum products, pay about twice as much for gasoline as do U.S. car owners.

—There are only 25,000 miles of paved road in Japan, which is less than Louisiana has. There are more than a million miles of paved road in the United States.

—Some of the more heavily trafficked streets in Tokyo are only four or five paces wide.

—When I asked the Japan National Tourist Organization if it could find a student who spoke English and could drive as my guide, there was an embarrassed smile, and the young JNTO woman who was helping me said,

“Things are not as they are in the United States. Few of our college students have drivers’ licenses.”

—There are more trucks than there are cars in Tokyo.

—There are as many people riding motorbikes as driving cars and there are more non-motorized bikes than the powered kind.

—Streetcars still get a big play in Japan, and one Japan National Tourist Organization official, when I asked about driving to a town some 400 kilometers (240 miles) from Tokyo, ad-

vised me to take the train. “We don’t have such very good roads down there,” he explained. “We have excellent trains. Everybody uses the trains.”

So, after peeling back the second, third and fourth layers of the Japanese automobile industry, somebody given to snap judgments might tend to dismiss it as small and little to be reckoned with. Such snap-shooters ignore several things:

- The Japanese taxi driver.
- Soichiro Honda.
- The Japanese government.

—The Japanese people themselves. Deal first with Tashio Hackamoto, my name for the guy who drives Japanese hacks.

Before I got to Japan I heard more stories about how terrible he was than I’ve ever heard about any country’s cab drivers. One world traveler I know told me that, in Japan, he once stopped a cab driver and insisted that he be let out of the cab. The WT told me he had never been as terrified during a cab ride in his life.

Such comments are from the weak-

stomached. I think the Tokyo taxi driver is the best in the world. He’s tough. He beats the heck out of his cab. He pours on the coal and aims full-bore for openings in traffic that no man in his right mind would go for. He blasts through blind intersections that would make a Los Angeles traffic engineer think of dynamite, bulldozers and million-dollar overpasses.

The Tokyo taxi driver shouldn’t do the things he does. He’ll never make it.

Yet I’m here to testify that he does —time and time again. I’ve ridden cabs for more than 800 miles in downtown Tokyo, the equivalent of 8000 miles in New York and 80,000 miles in San Francisco, and I swear by Hackamoto. He’s good. By ordinary rules, he doesn’t stand a chance. Yet I would calmly trust my life to him without a worry in the world.

In the beginning, I was tense. I was certain, several times, that I was going to get clobbered by a streetcar or a gi-

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ant truck. I was braced for the hit. It never happened, and after a while, I began to sit back and learn.

And what did I learn? Well, I learned, for example, that the Tokyo cab driver will take you all over downtown Tokyo for 100 yen (28¢) and he does not—repeat, does *not*—expect a tip.

I also learned that his car takes a beating, because he's either stomping on his brakes or pushing his gas pedal to the wall. Squeal, honk, scratch off, swerve, honk, squeal, zoom ahead, squeal and swerve all day. Yet he gets 200,000 to 250,000 kilometers (120,000 to 150,000 miles) out of his car before he junks it. After hearing these figures from several Tokyo cab drivers—who drive fairly standard sedans, not beefed-up Checkers, such as many U.S. cabbies push—I began to wonder if Japanese cars didn't have more gristle than showed on the surface or even just under it. A hundred and a quarter thousand miles at the hands of a Tokyo cab driver for a car that looks somewhat rinkydink by Chevrolet or Plymouth standards is impressive, even if slightly inflated.

So, after having learned from Tashio Hackamoto that Japanese cars are built to give low-cost, long-life operation under some demanding driving conditions, I explored other elements of the Japanese auto industry to give *CAR LIFE* readers some idea of what may be expected from there in future years.

Off I went to call on government officials concerned with the automobile industry and bigwigs whose job it is to produce Toyotas, Hondas (didn't know Honda has a car on the market? Stand by. The firm has three

at this writing, is likely to produce several more by this time next year, and I'll bet my paycheck for this article that Honda will be marketing at least three cars in the States before another 12 months go by), Datsuns and Princes.

A good place to get an overall view of the future of the Japanese auto industry is in the government bureaus concerned with motor vehicle production. The government has a great deal of interest in its own auto industry and some of the steps it is taking soon will put Japanese carmakers flatly in competition with cars made in Germany, France, Italy and Detroit.

Unlike the United States government, the Japanese government is encouraging mergers of its auto manufacturers. While Washington is trying to keep GM from ending up as a sole proprietor of the car-building business here, the halls of Tokyo government offices are crammed with elaborate plans for marrying some of the 11 existing auto manufacturers in Japan.

**T**WO COMPANIES, Prince Motors Ltd. and Nissan Motor Co., are now going through, with some strong pressures from the Japanese government, the agonies of a merger. You can bet that more such marriages, done with a hard-nosed, shotgun-toting government official standing in the wings, will take place.

"We want to see only two or three Japanese auto manufacturers," a Japanese government official, who is very much concerned with the auto industry and in a position to see his plans put into action, told me during an interview in Tokyo recently. He asked that I not report his name because he

was candidly realistic when he talked about the Japanese automakers who produced only 88,000 passenger cars during fiscal (the April to March cycle) 1959 and produced 620,000 during the April 1964 to March 1965 period, a jump of almost 800% in six years. On the surface, such a growth in the Japanese auto industry appears encouraging.

But he also points out some sobering numbers:

—Japan is 11th in the world in total paved-road mileage, not a healthy atmosphere in which to develop a domestic private-car market.

—One Japanese manufacturer (Suzuki) turns out only 2000 units a year.

—The largest (Toyota) produces only 200,000 passenger cars a year, less than one-tenth of the passenger-car production of GM's Chevrolet Division.

—Even after Nissan and Prince merge, their total annual production of passenger cars will be about 225,000 units, still a long way from the numbers Volkswagen and Ford crank out.

—Japan has only 20 passenger cars per 1000 people; the U.S. has 360.

—Japan has only 3% of the world auto market.

But anybody who has watched the Japanese do a first-class job in the motorcycle, camera and electronics fields need not wonder if they can improve their position in the auto business if they want to. They intend to.

"We expect the Japanese auto industry to increase at a rapid pace," the official with whom I talked told me. "Potentially, the auto industry offers a big possibility for our country."

Japan, one of the most crowded

**SAITAMA, ONE of four Honda factories, produces S600 engines, trucks and motorcycles. Other plants produce generators, outboard motors, agricultural equipment, aircraft and buses. The prime Honda goal is increased worldwide sales.**



hunks of real estate in the world today, lives because it knows how to import raw materials, work them over and then put them together in ingenious, durable ways that command enough of a price in the world market to produce a margin of profit that enables the Japanese people to live. They envision the automobile as a way for them to hammer out a substantial world market that will produce income and livelihood for a large number of their people. When they start talking that way, they are talking about survival, and when people start talking survival, they talk about doing a slightly better job for less.

From a recent issue of the *Wall Street Journal* one can get a hint of what is ahead: "Meeting in the seclusion of a traditional Japanese inn, a group of competing manufacturers agrees to limit production. At a dinner gathering at a downtown hotel here, another group of executives from rival industrial firms lays plans for joint price increases.

"In the U.S., affairs of this sort might well land the participants in jail and their companies in court. But in Japan it's all perfectly legal now. In fact, far from incurring the wrath of the Japanese government, such collusion is encouraged as a way to fight the country's economic downturn."

Japanese automakers exported only 80,000 cars last year to other countries. Though that represents nearly \$86,000,000 in sales, it is nearly eight times the exports of only three years previously and they aren't close to being satisfied. (This year export of passenger cars by Japanese manufacturers is just about double what it was last year.)

"We only exported 13% of our passenger car production last year," said the government official matter of factly. "Germany exports more than 50% of its production. Five years ago, 80%

of our exports went to Asia, South America and underdeveloped countries. Now 25% goes to Asia, 27% goes to Australia and 20% goes to the United States and Canada. The United States, Europe and Australia, in that order, are the biggest potential markets for Japan."

In other words, don't be surprised to see a Toyota or a Datsun in your future.

**O**NE OF THE first steps taken by the Japanese government in this long-range plan to establish Japan as a major auto manufacturer became official Oct. 1, 1965. On that date, imports of assembled passenger cars of foreign manufacture became "liberalized," as they call it in Japan. This move by the government stirred up a lot of tempers among Japanese auto manufacturers when it was announced in August. To get some idea of what's ahead for Tashio Hackamoto—and you and me—it's well to take a close look at this so-called liberalization move.

Back in 1962 a special automobile policy committee of the Japanese government recommended that foreign auto imports be liberalized this year. Japan, committed basically to a long-range program of international trade liberalization, wants to make it less difficult for auto manufacturers of other countries to sell to Japan. Then those countries, in turn, will have to liberalize their restrictions on Japanese cars. When that happens, they reason, what they consider the traditional Japanese ability to produce durable goods at lower prices will give them a distinct advantage in the world market. This is called playing world poker. The stakes are gigantic.

Japanese auto manufacturers screamed mightily when the liberalization policy was announced. "We are having a recession in Japan!" they said. (All I can comment is that car produc-

tion this year is at least 25% above what it was last year. If that's a recession, let's have some here.)

The government blandly pointed out that the liberalization policy wasn't all that bad. All that was going to happen was that import licenses would not be required before a person could import a Buick or Volkswagen into Japan. "We've been doing essentially that since 1963, anyway," says a government official. "We have been giving almost automatic approval for import requests." He shrugs his shoulders and points out that lowering of artificial trade barriers might make Japanese automakers hump a little more, but it would be good for them in the long run.

Hump a little more they did. Within a week after the official announcement of the liberalization policy, Japanese auto manufacturers had announced a rash of new models for next year's market.

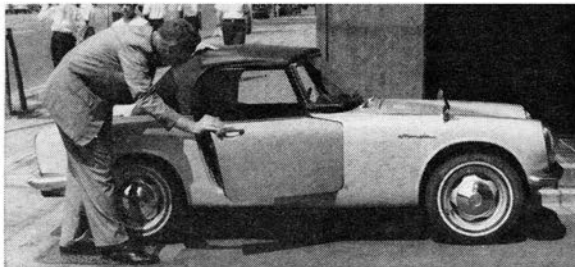
Nissan produced a new 900-cc car to go along with its 1900-cc Cedric model and its 1300-cc Bluebird line. Mitsubishi Heavy Industries, the No. 4 car manufacturer in Japan, came forth with two new models, one in the 800-cc class and the other in the 1500-cc category. Toyo Kogyo, eighth largest of Japanese manufacturers, entered the arena with a 1000-cc machine.

Sabaru, which had concentrated on the 360-cc field, now is trying to elbow its way into the bigger-car field with an 800-cc model.

The *Mainichi Daily News*, one of the large circulation national newspapers published in Japan, said the result of all this is sure to be "cut-throat competition in the 800-1000-cc field.

"Even if some increase in demand is expected, the entry of so many models at one time will mean that the only way to win the race will be to eat into others' shares," continued the *News*.

HONDA'S S600, body and engine, is small by western standards.



HONDA'S TRUCKS runneth over—with Honda motorcycles. Over a six-year period the firm's super mass production recorded an 800% increase.



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In the background one might, if he listens carefully, hear the government say, "or build strong export markets."

Shotaro Kamiya, president of Toyota Motor Sales Co., the selling arm of Toyota Motor Co., the producing outfit, recently reported that his firm will sell about 500,000 cars, trucks and buses this year, a 12 or 13% increase from last year's 430,000 units, but down from the 25% to 550,000 that had been predicted at the beginning of the year.

But the cause of the tapering off of predictions is that Japan has been going through a domestic recession as Toyota's export business is booming along. While its domestic market is leveling off, its total production will probably be 50% greater. People in Sacramento, Calif.; Sydney, Australia; or Miami, Fla., probably are buying up some of that excess production.

At the same time Kamiya was suggesting that the Japanese sales situation was getting a little tough, the Hitachi Shipbuilding & Engineering Co. was launching, at its Sakurajima dockyards, the first Japanese ocean-going ship designed specifically to transport automobiles. It is commissioned for service between the U.S. and Japan. Owned by Nissan Motor Co., the ship, the 15,900-ton *Oppama Maru*, is capable of carrying 1200 automobiles on each voyage.

But one doesn't always get the best view of the future by looking at the biggest in the business. In the case of Japan, it might be well to look at, if not the smallest, the newest among the Japanese automakers—Honda.

To understand Honda, and perhaps the future of Japanese auto industry, you first have to read—and believe—

the statement of company principle. Then you have to understand a tough-minded little guy named Soichiro Honda. Then you have to see Honda's new plants. Then you have to visit Techniland. (Haven't heard of Techniland? Neither had I, until I visited Japan recently, but there are strong possibilities you will hear a lot more about Techniland, and Walt Disney better look to his laurels now that Soichiro Honda is zeroing in on a market that Walt thought he had all locked up.) Then do some homework on the unbelievable job that Honda is doing in the motorbike market. Then look at the outboard engines, generators and other products the Honda outfit is turning out. Listen to the rumbles about Honda going into the airplane business. Notice that Honda has a Formula I car on the race tracks and ignore the fact that it hasn't beaten Ferrari consistently. Then go out to the race track Honda has built. Then pile yourself into some of Honda's automobiles and trucks. Visit some Honda dealers.

**D**ON'T PAUSE for a minute, because Honda is going to whiz right by and have a world market pretty well locked up tight while he goes on to conquer other worlds before you even begin to guess what happened.

First you have to read the company's principle, which isn't like the principles of a lot of other companies you might have visited. Honda has this principle plastered all over the walls of its ultra-modern buildings and throughout its literature. It is only one sentence long, but it says a mouthful: "Maintaining an international viewpoint, we are dedicated to supply

products of highest efficiency yet reasonable price for worldwide customer satisfaction."

If this were a hollow statement that the company doesn't live by, it wouldn't be worth the paper it is written on. But, as you soon discover when you begin to explore the Honda operation, Honda doesn't do many hollow things. The firm is fairly plain in purpose and highly efficient in effort.

If you doubt that, just look at the record.

At best, the name Honda was known only to a limited number of people in 1948. In September of that year, a company was formed with the Honda name. Its purpose was to make bikes with engines on them.

If anything sounded as though it might become a household word throughout the world within the next 10 years, Honda motorbikes didn't. During the first six months, total sales were \$39,700—probably equal to the petty cash allotment for one of GM's smaller operations.

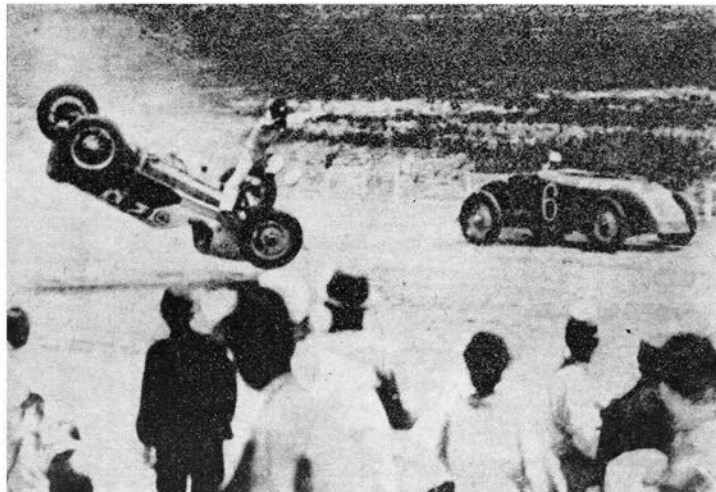
By 1951, sales had crept all the way to \$902,000. If someone had then suggested the Honda name one day might become better known than Ford, the hearer would likely have either smiled and asked "Who?" or snorted at such a mad statement.

The next year, the Honda factory went almost all the way to \$7,000,000 with sales. That's when Honda produced a Cub machine that caught the fancy of a lot of people in Tokyo and Yokohama and Hamamatsu. (Hamamatsu? Where's that? That's a small, rural village and it's where Soichiro Honda was born.) It might not be difficult to imagine the conversation between two Chrysler execs that year:

**A SCHOOL dropout, Soichiro Honda started his empire by learning about engines in an auto repair garage.**



**RACING GAVE early impetus to Honda, the firm which now boasts Formula I cars and its own race course.**



Exec A: "Had a good trip. But I didn't get much sleep in Kyoto. My room was on the ground floor and every morning, by 5 o'clock, everybody was buzzing around on motorbikes. They're energetic, those Japanese."

Exec B: "Who makes the bikes?"

Exec A: "Nobody you ever heard of—a bunch of little manufacturers. I'm glad they can't sell those things over here."

Add six short years and Honda sales were almost \$40,000,000, respectable and a remarkable 4000% more than they had been those seven short years earlier.

Next year they almost doubled ("Honda, I think is the name," says somebody in Detroit, wondering what kind of chromium to stick on the side of the latest model). The next year the company had quadrupled sales in less than 24 months. (Big companies never quadruple sales in two years, and precious few medium-sized companies—which Honda was with only \$40,000,000 in sales—do it.)

Through this breath-taking rise to fame and fortune, Honda followed a 5-point management policy, which is stated thus:

- 1) Proceed always with ambition and youthfulness.
- 2) Respect sound theory, develop fresh ideas and make the most effective use of time.
- 3) Enjoy your work and always brighten your working atmosphere.
- 4) Strive constantly for a harmonious flow of work.
- 5) Be ever mindful of the value of research and endeavor.

These, too, are plastered widely around the Honda operations.

While they, like the company principle, might sound hollow if stated within the halls of some companies, at Honda they ring diamond-hard true. If ever there was a company proceed-

ing with ambition and youthfulness, Honda has been it.

**A**LL DURING this time when the firm was making only motorcycles, Soichiro Honda kept saying he was going to make one of the best cars in the world. Soichiro Honda *always* says he is going to make the best of anything.

So who is Soichiro Honda?

Some people in the United States are surprised to discover that there is such a real, live person named Soichiro Honda. There is.

He's a squatty little guy with glasses and a pleasant enough smile. Now pushing 60, he has the fortitude of a riverboat gambler and a smell for engines that just won't quit.

His father was a blacksmith and his father's son was a flop in school, so young Soichiro went to work for an auto repair shop when others were trailing off for the universities.

One of the major elements of Honda's eventual and phenomenal success with motorbikes was born during those days. He began racing.

He set a new course record with one of his cars during the All-Japan Automobile Speed Championships of 1937, but spent most of his time racing motorcycles he had built himself. His income came from a piston ring manufacturing business. (During the early days of the business, he turned out a pile of junk, so he enrolled in a local technical high school class and, almost three years later, ended up knowing something about piston ring manufacturing and how to turn a profit in the piston ring business.)

After World War II, he sold the ring business and spent a year loafing, dabbling in such things as making salt out of sea water and trying to develop a rotary-type weaving machine.

He picked up 500 surplus engines cheap. They had been used to power communications equipment during the

war, but he modified them to power motorbikes. When he had sold off the 500 engines, he began making his own, and Honda Motor Company was on its way.

Honda, who runs around his company wearing work overalls and can usually be found in the company's research labs, went after a reputation for his motorbikes by entering them in races anywhere in the world. That was only seven short years ago—1959. Honda has not been around as long as Coca-Cola.

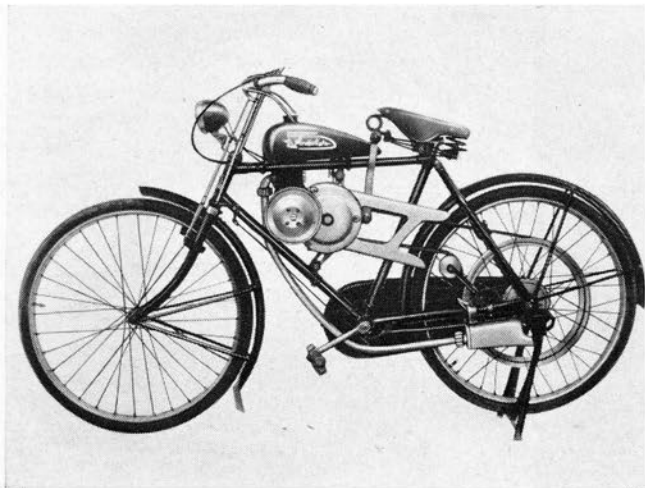
The first venture by any Japanese motorcycle manufacturer into the Grand Prix circuit took place then, and three of Honda's riders made a modest showing of sixth, seventh and eighth. The next year the Honda factory entered six races and about all they got for their trouble was experience for the drivers and some performance figures for their engineers. No prizes that year.

Then—wham!—Honda took everything in sight the next year. The works team ran off with 11 speed records and won top honors in the two classes—125 cc and 250 cc—entered.

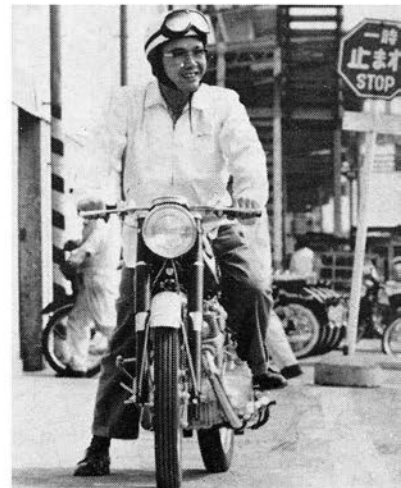
London's *Daily Mail* reported thus after the Honda team had run away with the Isle of Man event, "The Japs are Laps in Front" ran the headline. Then the first part of the story went like so:

"The Rising Sun of Japan blazed brightly over the Isle of Man last week, as Japanese motorcycles won the first five places in both the 125-cc and 250-cc events. How did the Japanese manufacturers—whose machines are competing at the Isle of Man for only the third time—achieve their spectacular success? To find the answer, a British motorcycle firm stripped down one of the Japanese machines. What they discovered spells grim warning to Britain's motorcycle exporters. This is what the British firm's works director

**ORIGINAL HONDAS** were little more than bicycles powered by war surplus generator engines. Present-day machines show Swiss-watch perfection and careful design.



**THE COMPANY** president takes a spin on one of his own 'cycles.



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said: 'When we stripped the machine, frankly, it was so good it frightened us. It was made like a watch and it wasn't a copy of anything. It was the product of original thinking, and very good thinking.'

To prove that their 1961 performance wasn't a fluke, the Honda people came back the next year and blasted the competition again. Team riders won all 25 races they entered, which means they won all but two that were on the calendar that year. (They didn't enter the Argentine Grand Prix and a 285-cc unit being used for the first time developed mechanical troubles during the 350-cc competition at the Isle of Man.) They broke 16 speed records in the 25 races they entered.

How could anybody do any better? Soichiro Honda asked himself the same question, counted the skyrocketing sales that went right along with the race victories and decided to quit wasting time trying to improve on something that almost was perfection. He pulled the Honda factory team out of motorcycle racing. That was 1963, the year Honda went into the auto business.

A statement from the company's 1964 annual report spells out what's in the wind. "Those of us who have been entrusted with the management of your company have cherished the idea of producing a top quality automobile since Honda Motors was first formed. In the past two years, we have concentrated our engineering division's proven technical know-how on the design and production of such an automobile. This year, we saw our dreams realized with the successful marketing of first the Honda S500,

then the Honda T360 truck and finally the Honda S600. All have been well accepted and we are certain that their combination of excellent quality and efficient operation and performance, coupled with reasonable price, will justify our confidence and that of the public in them."

(Voice from Detroit: "Honda making automobiles? Oh, well, order me a roast beef, rare.")

Going back to the annual report:

"Proof of the merits of the mass-production Honda S600 was dramatically demonstrated when it took first place in the 500-km. endurance race for sports cars with engine capacity of less than 1000 cc at the Nurburgring circuit on September 6, 1964. (Author's note: That's little more than a year ago, in case you're missing the timing involved here.) Public acclaim was all the greater because of this unexpected victory by a new product in a country known for the technical excellence of its small cars."

(Voice from the Volkswagen factory: "That's a good machine the Honda people have. But our sales still are a lot bigger than theirs. They have a way to go before we need to worry.")

**M**ORE FROM the annual report: "Your company has carried out full-scale rationalization of its automobile production line during the past year and we are confident that automobiles will take their place alongside motorcycles as mainstay products for continued future business."

You better believe it. I went out to the Saitama factory, about an hour's drive from the company's downtown Tokyo headquarters and there I saw a production operation that would have

caused a Swiss watchmaker to get bug-eyed. Neat, efficient and modern, the Saitama operation was run by a bunch of people who can get things done with a snap that is amazing. Ask them a question and, if they don't have the answer at their fingertips, they have it within minutes. They disappear briefly and come back with the facts and figures that were asked for.

Sit in their reception room and enjoy a cool glass of iced tea, and you get the impression that this company doesn't turn out motorcycles. This is really a secret operation that is a training ground for the Rolls-Royce people. Or maybe the Omega watch people. There is no hub-bub, only quietly efficient movement that you know darned well is going to start knocking off Ferrari and Lotus-Ford cars when the competition really gets rough.

Tour their product display area and you see the ingenious Honda outboard motor—it gets clamped to the drive unit in about 8 sec. and it can be as easily removed, in case you want to have an on-shore power unit for generating light or pumping water. This is being sold only in Japan and Thailand right now, but it will be here when they get around to it.

You see the generators they make and the farm equipment. (Yep, they're big in the small farm-equipment business, too.) But you also see something that you are sure is going to be seen in a lot of other places fairly soon: The S600. (In case you doubt that you might be seeing the car in the States soon, I happened upon some photographs of the car with California license plates, and they haven't produced those promotion pictures with the idea of peddling

THE START-'em-young Honda policy is carried out in Techniland, where children learn to drive in Honda-powered cars on Honda-owned tracks.



NISSAN produces the Silvia, a 1600-cc sports-type coupe.



DATSUN'S Fairlady is another 1600-cc world market entry.



S600s in a Hamamatsu dealership.)

When I first saw it, I thought it was a sweet-looking little machine, but I also found myself saying it's strictly for Japanese-size people. I'm 6-ft. tall and I couldn't see myself jamming into that front seat.

I did and it wasn't even a tight fit. The view was first class and the machine is as sweet-looking a little bomb as any 37-cu. in. affair can be. A 4-cyl. engine, each cylinder fitted with its own carburetor, the S600 turns up to 8500 rpm and can crank out 90 mph. The factory claims it gets 35 mpg when the car zips along in the 60-mph range. (Driving a rented S600, I had no equipment to test the unit, but my rough calculations show that they are probably close to right. Until I can get my hands on one of these units in the States to really wring it out, I'll abide by what they say.)

But this isn't a test article. It's taking an overall view of the Japanese auto industry and trying to figure out what is in store. So I talked with Americans living in Japan who have used or own one of the S600s.

"Great," said a pilot of one of the international airlines.

"Just great," said a sweet little schoolteacher.

"I didn't like it at first," said a hulking Master Sergeant who looks like he might fit better in a tank or a Mack truck than an S600. "I bought one of the first ones. Too many things went wrong. But the company had a complete warranty on it and replaced everything that went wrong. Everything! The seat cover ripped and they pulled out the whole thing and put in a new one. Completely new. No questions. I had carburetor trouble and they slapped on a new unit. They obviously are testing it and working out the bugs. This year they increased the warranty to two full years so you can figure they are pretty confident that the

S600 is working to customer satisfaction."

Confident Honda is. This year Honda has begun to sell a coupe model of the S600 and has announced a station wagon. All for Japanese consumption, of course. Ask Honda if it plans to sell it in the United States and don't expect an answer. Directly, that is. But Honda people smile in such a way as if to say, "Are you crazy, bud, of course we're going to sell it in the States. Do you think we don't mean what we say in our statement of company principle?"

**T**ALK WITH Masatori Maekawa, former manager of Honda's GP team, now an administrator, and he plays it fairly cool. "It is possible we'll put more emphasis on car racing," he says, and you know Honda will do just that.

The firm's cars have been in seven Formula I races in 1965. They pulled down a sixth place finish in Belgium and another in Holland, roughly where they finished during their early bike racing days. Maekawa, in what must be the understatement of the year, said, "We're not satisfied," when I asked him what Honda thought of its car racing record. Then Richie Ginther drove to victory in the Grand Prix of Mexico—Honda's first, but not last, GP win.

In other words, get set to see a Honda in your future. (Voice from Detroit: "Honda is making cars? Oh, well, give me a rare roast beef sandwich.")

Two other items about Honda should be noted before closing the book on the Japanese auto industry:

1) To stimulate racing in Japan, Honda has built a track at Suzuka and it is a course that is going to be heard from frequently in days ahead. That's where the third annual Grand Prix of Japan will be held this year.

2) To make sure that there is a

Honda in the future of Japanese youngsters, Honda has gone into production, in cooperation with a developer, of something called Technilands. Essentially, these are big amusement parks. They have giant swimming pools, not-so-giant golf courses and neat eating places. There are nice park areas and—why is Honda in the amusement park business?

That's a silly question, because, you see, they have all of these tracks curving in and around all of the other facilities of the Techniland operation. They have Go-Carts (McCulloch Motors, watch out), bug-like cars that have bumpers on the side so people can amuse themselves by bumping these cars into other similar cars, etc., etc. Begin to get the idea? All of the cars are powered by small Honda engines. And every car has a line or two on the side that says the cars are powered by Honda engines.

Now, if you wanted to get youngsters interested in buying your motorcycles or your cars, why wait until they can get a driver's license? Why not catch them when they are 4 or 6 and let them drive your cars then? Then, when they get to the point where they can buy a car or motorcycle, chances are pretty good they'll buy a car or a 'cycle you make. About 10,000 people a day pay—repeat, pay—to get in the Techniland operation near Tokyo, one of two in existence and one of 10 planned for Japan.

(Voice from Detroit: "Go into the amusement park business to sell cars, Ridley. Are you crazy? Now you order me a rare roast beef and get the hell out of here with your crazy ideas.")

According to the June 1965 monthly report of the Automobile Industries Association of Japan, Honda made about 7000 passenger cars in 1964. In 1949, the first full year that Honda was in the motorcycle business, it sold fewer bikes than that. ■

**THE 2.8-liter Cedric from Nissan is popular in Japan.**



**DATSUN'S 1300-cc Bluebird is often seen on U.S. highways.**



**PRINCE MOTORS' 1988-cc Skyline develops 125 bhp at 5600 rpm and tops at 112 mph.**



**BIG GUN of the Prince line is the Gloria, with an ohc engine and 103-mph top speed.**



**OPPAMA Maru carries 1200 cars per trip.**

