



1954 BMW 502 V8 Sedan

BMW The Company that would not Die!

by Geoff Wheatley

The Mini was a car designed back in the 1950 which was given a new life when BMW took over the failing Rover Corp. You can also add the once popular MG Sports car saved by BMW in the 1990's. What you may not know is that BMW almost faded from the motor world after a highly successful career making aircraft engines, motor cycles and of course fast and attractive vehicles. The company was founded in 1916 at the peak of the first world war. It supplied aircraft engines to the German air force and the famous Red Baron when not directly involved with the war tested these engines.

With the end of the WWI, BMW suffered its first major problem. Under the terms of the "Treaty of Versailles", Germany was forbidden to make aircraft, the consequence was that 15,757 aircraft and 27,757 aircraft engines were handed over to the Allies and were destroyed in company with 15 Airships and millions of aircraft accessories

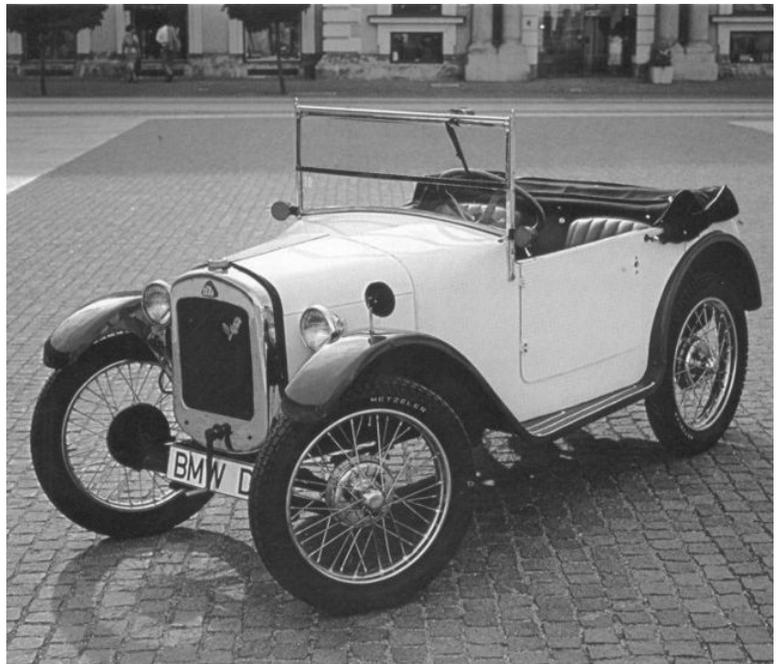
However, the company managed to survive by turning its production over to producing Motor Bikes and they boosted their sales by entering competition events throughout Europe. Just a few years later BMW could claim to have produced the fastest motor cycles in the world. (1929 135 mph, 1930 138 mph, 1937 173 mph) The last world record remained until 1952 when a British motor cycle pushed the record by a few extra miles.

By 1923 the ban on producing aircraft was revised as only affecting military aircraft and BMW was once again able to produce engines for a variety of European aircraft manufacturers. Their engines were recognized throughout the world as being both reliable and powerful.

In 1927 BMW took another turn by deciding to enter the motor car market. They obtained a licence to produce the popular Austin Seven, an inexpensive basic car that the new motoring public could not only afford but maintain.

Austin was also keen to get a foothold in Europe so a deal was arranged and the "Renamed BMW DIXI", hit the market. Like the UK version it was popular and was soon seen in competition form and even raced in the junior class at both Brooklands and Frankfurt...

No company can survive on a copy of another product so by 1931 BMW decided to design and offer their own quality vehicles. It should be remembered that this was at the start of the worldwide depression when such luxury items like private vehicles were not a high priority for the average household! The success of BMW was simple, attractive designs and wonderful engines. To my mind there is not one BMW prewar car that does not turn heads. Even the so-called family product looks like an expensive sports or grand tourer.





The BMW 328 was the winner of the 1938 & 1940 Mille Miglia run between Brescia and Rome. They showed every car their rear wheels from the very start of the race... The media reported that BMW had already won the race before it started with its superior technology. Even more interesting is that the public could purchase the 328 right off the showroom floor.

During WWII BMW was engaged in war work just like manufactures in the USA and Britain producing aircraft engines motor bikes and vehicles. Their sixteen factories located throughout Germany were heavily bombed by the Allies and by the end of WWII out of a total of seven factories only three remained in some stage of workable condition.

Once again BMW faced the prospect of disappearing from the motor world. The Allies confiscated both machines and equipment from these factories, in reality every item of production was shipped all over the world as part of a rehabilitation program. By 1948 BMW had been reduced to making cooking pots from old aircraft engine cylinders, a few bicycles and basic farming equipment. The Allies had separated Germany. The allies in the West and the Soviets in the East. The Americans obtained the BMW Allach factory near Munich, a facility that was hardly damaged in the war, while the Russians were given the Eisenach factory which was still operative but in need of repair.

The third factory was completely dismantled leaving only two of the original seven in any workable condition. The Russians were keen to get their BMW Factory back on track producing cars the Allies were not!

Until 1950 this factory produced engines as replacements for Allied military vehicles and was a major repair center for American trucks. The idea of production was still on the back burner, however in the Eastern Sector the BMW plant was soon put back in action by the Soviets and by the end of 1945 just a few months after the war ended BMW vehicles were being shipped out of the Eisenach factory. The first vehicle was the successful pre-war BMW 321. Four Thousand were produced between 1945 and 1950.

The factory also produced a few BMW 326s models and about one hundred and seventy five BMW 325-S. In reality all BMW cars were made in Eastern Germany between 1945 and 1951, the year that the West German plant in Munich started to produce post war vehicles. With two BMW factories producing similar cars in a country divided by the war and ruled by two completely different political systems was not a satisfactory situation.

BMW Munich decided to sue the East German factory without success as it was legally owned by the Soviet Government, given to them through the war end agreement between the four powers America, Britain, France and Russia. However, things often change quicker than we think! In 1952 the Soviets decided to transfer ownership to the East German Government who in turn created the Eisenacher Motorworks. To get by International Copyright Laws introduced after the war the famous BMW symbol was changed to EMW. The design was much the same but the script read EMW.

In the following four years the factory produced 21,300 model 340s cars, and just over 400 model 327 as special convertibles and coupes. Not a bad record for any communist production plant! In 1952/53 the government nationalized the company and renamed the facility Waltburg with the EMW symbol being replaced by the Waltburg symbol.

My memories of vehicles made and exported under the Waltburg banner, to earn hard currency for the East German system certainly did not represent the accepted BMW standard or image. I do not know if any such cars ever reached the USA but there were a few dealers in Western Europe and the UK. At best they were ugly, unreliable, and cheap, like the imports of the Yugo into the US in the 1980s. The vast majority of the BMW cars produced between 1945 and 1951 in East Germany went to Russia but a few did manage to filter through to the west where they were snapped up by car buffs.



1946 EMW 340 (Built in East Germany)

The attraction was the fact that they were all pre-war models and had the classic lines of that period. Most post war vehicles produced by both the Americans and the British who had a monopoly on car production during that time frame produced square boxes with a wheel on each corner. With Americans they were large sq boxes that had little appeal elsewhere. BMW has an incredible ability to survive even when they are not producing vehicles as was the case between 1945 and 1951. In 1948 their first post-war motor cycle rolled out of Munich made out of spare parts, at best it was something out of nothing as the official review of BMW says. However, within a few months various models were manufactured and sold by 1949 over 10,000 bikes were sold and this rose to 17,000 the following year. By 1955 sales had hit 40,000 before the motorcycle boom collapsed and sales had a task reaching 5,000 units.

The famous NSU Company gave up motorcycle production that same year. The popular three wheel bubble car was designed in Italy but BMW obtained the license to manufacture these vehicles and managed to produce and sell over 200,000. Name: ISETTA sold throughout Western Europe and were popular before the original British Mini came on the market.



1959 BMW Isetta “bubble car”

Like a cat BMW seems to have many lives. In 1959 the company faced bankruptcy. The market for their Motor Cycles had virtually gone. The Americans had closed their repair plant that gave BMW a handsome rent and the demand for their cars had diminished due to successful imports in most of their markets. The one good thing about that time was that the East German operation had stopped producing pre-war BMW vehicles and had abandoned the EMW marquee. Daimler Benz had made an attractive offer for the company but despite the fact that the Directors recommended accepting the offer the shareholders said NO, and raised enough investment capital to keep the company going.

As it turned out a very wise move as we all know from the current financial status of BMW.

Today BMW dominate the motor world and produce cars and/or trucks, often both, in 19 locations throughout the world including South Carolina... The Bavarian Motor Works has come a long way since it started way behind the early vehicle producers.



Special mention - The BMW 1500

One vehicle turned around the finances of the company, launched in 1962, the BMW 1500 and the modified 1600. A total of 33,000 units were produced before further modifications were made resulting in the BMW 1800 that went to a production of over 160,000. The right car at the right time and in the right price bracket for the market. By 1963 the company was back in the black and paid the loyal shareholders a dividend, a practice that would continue until the present time.

