

Under The Hood Feb, 2018

For many years the conventional wisdom in the collector car market was that many buyers were purchasing cars that they lusted over during their high school/college years. Consequently, there was a theory that you could tell the approximate age of the buyer by adding 20 to the age of the collector car. This theory has been used to explain why a pristine Model A Ford can be purchased for extremely reasonable money, as there are few buyers. Another example is the 2 seat Thunderbirds, which have been declining in value for the past decade, compared to the later muscle cars. As a side note, Corvettes seems to be defying this trend, at least somewhat. In the collector car auction market this trend has made many owners of the 50s and 60s classics unwilling to test the markets. As a result, auction sales are down, or flat, and the auction houses are finding the ratio of completed sales declining. Auction houses are reporting that the younger buyers are more willing to buy cars from 60s to 80s, although at lower prices. They are also apparently looking for cars they can drive down a canyon at 8:00 on a Saturday morning rather than an object to put on display. Frankly, I find this to be a welcome change. The auction house Sotheby's is branching out to counter the decline in car auction returns. Sotheby's will be holding more than 30 online only auctions in the coming year. Sotheby's has also announced a partnership with the San Francisco based ifonly.com, which is touted at an experience marketplace, as compared to an object marketplace. Recently, a 2 ½ hour sail with the America's Cup champion sold for \$9,375 at a Sotheby's auction. Expect to see more "experience sales" at future Sotheby's events. Although I have never owned an early Corvette, like many of us I am a fan of the C2 generation, and routinely watch the auction results. The Mecum fall auction showed a 72% sold rate. A 67 small block convertible was sold at \$115,000 and a 63 split window couple at \$110K. For those interested in the C1 model, Mecum sold a 57 for \$85K and a 61 for \$77.5K. Again, I think we find these prices to be down a bit from previous auctions.

Judy and I made our first trip to Europe about 20 years ago, and have returned several times. I have always marveled at the difference in fuel choices. Traditionally in Europe, diesel fuel was significantly less expensive than gasoline and as a result more than 50% of the cars were diesel powered. On a trip to Ireland in 2013, four of us rented a small Citroen van powered by a 1.6 liter diesel/5 speed manual. The Citroen provided a leisurely pace, but we used only two tanks of fuel circumnavigating the entire coast of Ireland. This diesel preference was so pronounced, that many Europeans would talk about the backwards Americans who had yet to embrace the diesel. You can blame the VW diesel scandal for a major change in attitude. After VW was exposed as cheating on emissions, the Europeans discovered that other manufacturers were also guilty of fudging the emission numbers, although perhaps not nearly as badly as VW. So, the pendulum is rapidly swinging in the other direction. Several of the larger European cities have announced that diesel vehicles will be banned in the downtown areas by 2025. Gasoline powered vehicles increased to 49% of all vehicle sales in the first half of 2017, the highest ratio in 8 years. Although pure electric vehicles in the same period amounted to only 4% of sales, the European manufacturers are all ramping up plans for all electric fleets, including all electric mini-buses capable of carrying a dozen or more people. The youth in Europe appear to be in sync with their North American counterparts in their lack of interest in driving. The United Kingdom licensing authority has reported a 6.2% decline in the number of under 24 year-olds with full licenses in the past 5 years. Closer to home, a 2017 Univ. of Michigan study of 2011 drivers indicted that only 79% of people between the ages of 20 & 24 had a driver's license. This compared with 93% in 1983. This was a comparison of 2011 drivers; I can only imagine that the numbers are much worse today. Now if I was a younger person living in New York City, it is possible I wouldn't have a license, but with 21% of that age group not having a license, that leaves a lot of people outside of NYC not driving.

We all know that Chevrolet beat Ford to the punch in introducing a “sporty car” to the public in 1953. There is some speculation that Ford was working on a sporty car starting in 1951, but the car manufacturing pipeline can be very long and it wasn’t until Feb, 1954 when Ford introduced the Thunderbird at the Detroit Auto Show. Although Chevrolet was promoting the Corvette as a sports car more akin to the MGs and Jaguars of the time, Ford decided that the T-Bird would be a personal luxury car. Personal luxury car was a moniker that we would hear about models from every manufacturer for the next few decades. While the Corvette only had the 150 hp Blue Flame 6 in the first two years, in 1955 you could order your Vette with a 265 ci, 195 hp V8. The 1955 T-Bird was introduced with Ford’s 292 ci, 198 hp V8. The T-Bird was far more luxurious than the Vette. By 1957 you could even order your T-Bird with a memory seat that automatically moved backwards for exit and then forward when you inserted the key, and even automatic windshield washers. These sound more like our current Vette features. With the introduction of the 1955 T-Bird the sales battle was on, and Ford was the big winner. In 1955, T-Bird out sold Corvette 23:1. T-Bird continued to outsell the Vette by a large margin through the T-Bird two seat era. One can even argue that Ford’s T-Bird forced the needed changes in the Corvette, such things as roll up windows and other creature comforts. By 1957, the horsepower race was on between the two. Corvette had the optional 283 ci, 283 hp fuel injected engine, and T-Bird could be ordered with a 312 ci, 300 hp, supercharged V8. However, by 1957 many T-Birds came optionally equipped with fender skirts, continental tire kits and power options galore. Not quite what we expect from a performance car. Many enthusiasts criticized Ford when they made the 1958 T-Bird a larger 4 seat personal luxury car. However, the buyers proved Ford was correct. There were about 38,000 1958 T-Birds produced compared to 21,000 of the 1957 model. It was obvious Corvette was going for the sporty buyer and T-Bird was cruising for the country club set. When I was in college, my friend Carl’s family had two drag cars. The first was a 1954 Vette, which still had the six, but the triple carbs had been replaced with a large 4-barrel (which required a fiberglass blister in the hood) and a shift kit for the Powerglide. Carl drove the Vette often and the performance was only reasonable. Then one day, Carl brought their 1957 Ford Fairlane drag car to show off. While not a T-Bird, the Fairlane sported the T-Bird 312 ci with a tunnel ram intake, two 4-barrel carbs, headers and a cam that was barely streetable. He used a can of ether to get the engine started. When that engine fired, it literally shook the ground. You can guess which car made the biggest impression on this young college student.