

Honda May Build Car Plant In The U.S.

DETROIT—Honda may become the first Japanese auto maker to open its own car assembly plant in the U.S.

The No. 3 U.S. import firm is making provisions for the assembly of cars, probably Honda Civics, in this country as early as the 1981 model year. The U.S. auto plant would be located near Honda's \$25-million motorcycle assembly plant, currently under construction on a 217-acre site in Union County, OH, near Columbus.

Honda issued a press release shortly after the April 3 ground breaking for the motorcycle plant that stated, "Honda expects to employ up to 500 people in its initial stage of the motorcycle plant and about 3000 more when the automobile production gets under way."

A spokesman for American Honda Motor Co., Gardena, Calif., said the auto plant will be two years in the planning stages and will represent a \$250-million investment. A new corporation, Honda of America Mfg., was formed to oversee motorcycle production and will also be in charge of auto production. That corporation is a joint venture of American Honda Motor Co. and Honda Ltd., Japan.

The American Honda spokesman added, "The motorcycle plant represents phase one of our plans for Honda American Mfg. We also have an option to purchase 260 acres adjacent to the existing (motorcycle plant) site where we intend to build an automobile plant as phase two, provided certain conditions are met regarding labor and community relations, as well as certain economic conditions."

Corvette Demand Stays High

DETROIT—Bumper sticker spotted on 1967 Volkswagen Beetle: "I'd rather be driving a Corvette."

The Volks owner is not alone. There are at least 524,000 other drivers who agree.

Corvette owners are an elite group—that is one of the attractive points of the car—and, for potential buyers, it's getting increasingly difficult to join the ranks. The price of a Vette has more than tripled during the first quarter-century of the car's life, from about \$3200 for the original '53 to \$11,000 and up for a '78 model with average equipment.

Demand is hotter than ever. Production at Chevrolet's St. Louis assembly plant, sole source of Corvettes, never matches the throngs of car-hungry buyers. Plant output will probably top 50,000 this year. But that won't be enough.

Making '78 models even more attractive is the addition of two special Corvettes—the Indy 500 Replica Pace Car and the silver anniversary Vette, a stock Vette with special paint option.

About 40% of all '78 Vette orders include the paint option. Chevy will only build about 6500 Pace Car Replicas, about one for each dealer.

Going prices for a silver anniversary Vette in the Midwest is nearling \$15,000, according to Bill Piercy, sales manager for Penske Chevrolet, of the largest Chevy dealers in that area. Pace Cars, he said, can fetch between \$15-\$20,000.

"I have not had a new Corvette available here this year (that lasted) four hours," said Piercy, whose dealership gets an average 85-100 new Vettes each year. "In fact, you couldn't call here the day a new Corvette becomes available because my guys are on the phone calling their customers...and then it's a road race down here to buy it."

A predominant economic factor being weighted by Honda officials is the continued demand for cars. The officials have suggested that establishment of a U.S. auto plant would not be worthwhile unless a minimum production level of 20,000 units per month could be maintained. This is why the Honda Civic is the prime candidate for U.S. production.

Car demand will probably not be a

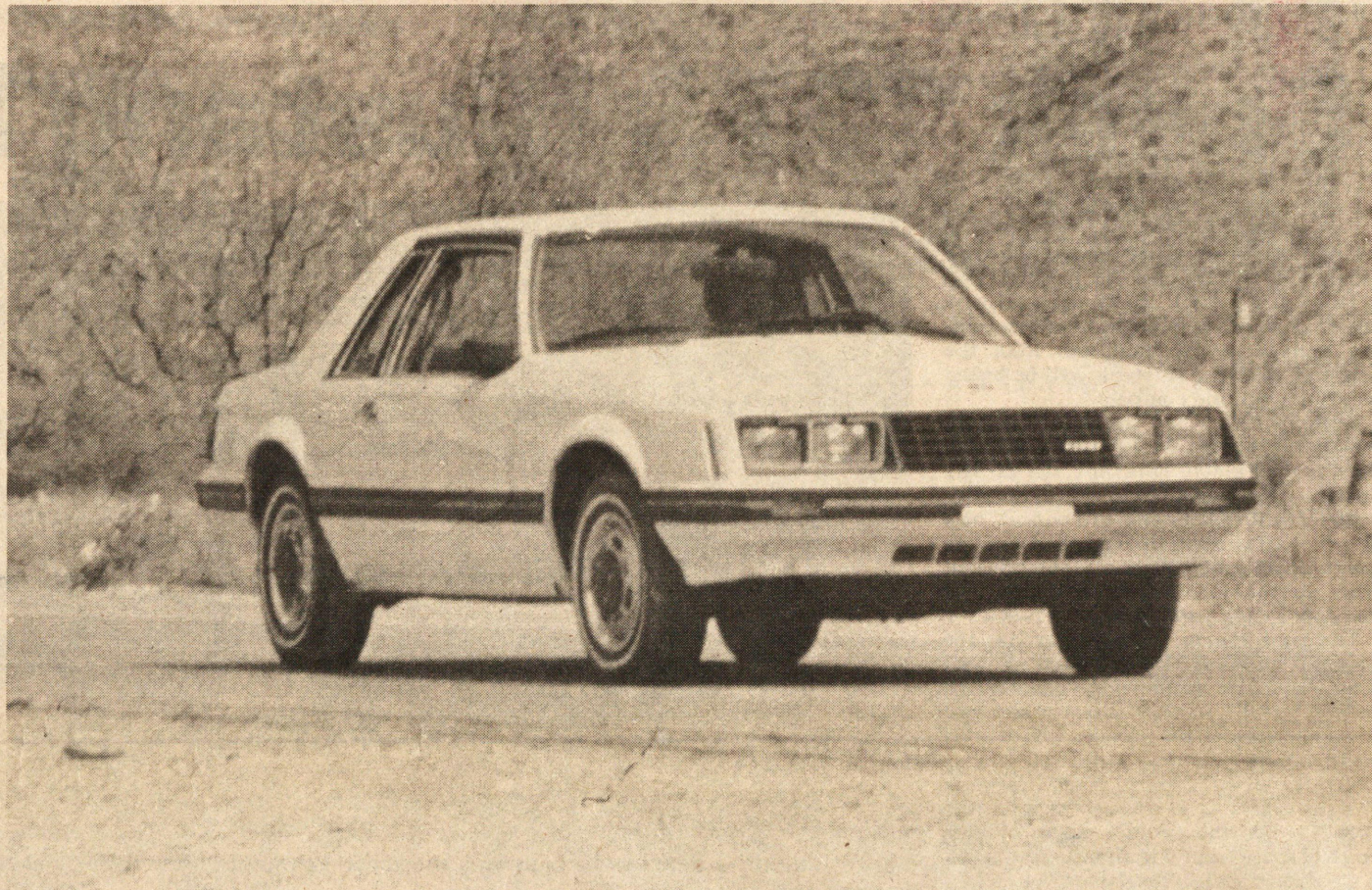
problem for Honda. The maker's assembly lines in Japan have been running at maximum capacity while the top two Japanese makers, Datsun and Toyota, reportedly have additional unused production capacity.

The tentative plan, should the Ohio plant open according to schedule, would be to continue to build U.S. bound Accords in Japan while assembling all Civics for

the U.S. market at the Ohio facility.

The car-assembly point could make Honda either the second or third importer firm to build autos in the U.S. Volkswagen grabbed the number one title several weeks ago when it began building Rabbits at its Westmoreland, Pa., assembly point. In addition, American Motors may assemble Renault cars at its Kerosha, Wis., facility beginning in 1980.

Ford's Sporty New 1979 Mustang



Ford's newest Mustang shows a strong style similarity to European cars.

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black window frame; windshield; rear window and ventilation panel moldings; sports wheels with trim rings; upgraded interior trim, and a sports steering wheel.

The Ghia package includes: a sound insulation package; steel belted radial tires; turbine finned wheel covers; color-keyed window frames; mirrors and body-side molding inserts; accent pin striping; brite belt moldings; low-back bucket seats with separate headrests; door map pockets on deluxe door trim panels, and heavy pile carpeting.

Both the Sport and Ghia packages will be offered on the 2-door and 3-door Mustangs.

The final option group is the Cobra package, which replaces the Mach One and King Cobra. This package consists of a simulated hood scoop; color-keyed inserts on the wide bodyside moldings; color-keyed grille; black paint treatments below the wrap-around bodyside molding; black engine-turned dash panel applique; special Cobra identification; sports steering wheel, and Michelin TRX radial tires on cast aluminum wheels with a special suspension. The Cobra package will be offered on the 3-door hatchback only.

The last part of the previously mentioned Cobra package is perhaps one of the more interesting features of the new Mustang. The TRX option uses the recently developed Michelin TRX radial tire. The Mustang will be fitted with 190/65 HR 380 tires that can be used only in conjunction with special metric rim sizes. When the car is equipped with the TRXs, unique aluminum rims are part of the package. Special front and rear antiblizer bars and stiffer springs and shocks are included

with the TRX option, which will be available on any '79 Mustang.

The car looks very modern. Non-Ford employees who have seen it say it is one of the cleanest and best balanced designs from Dearborn since Ford issued the original Mustang.

Like the second generation '67-'68 Mustang, the new car will spawn a corporate

cousin at Lincoln-Mercury to carry the Capri nameplate.

Considering the Capri's point of manufacture will shift from Germany to the good 'ol U.S.A., it will be interesting to see what Lincoln-Mercury does to change the image of their sporty compact from the "Sexy European" to "the Sexy Michigoni-an."

Datsun 810



One of the nicest cars to come from Japan—or anywhere else, for that matter—in recent years is the Datsun 810. Fast, smooth, a remarkably competent road car, the 810 probably comes closer than anything to providing the performance usually associated with German sedans at a price the masses can afford.

But it only comes in a four door model, not the kind of car you want to cruise the main on Saturday night. That has limited its appeal to younger people and hence hurt sales.

All that may be changing, though, if this photo is any indication. Our man says it's a secret new 810 hardtop, photographed during testing in Japan.

Don't look for it in the U.S. right away, but sources at Nissan say it is destined for this country eventually.