

APRIL MINUTES

Michele Peters

We began our April meeting at 8:06pm at Andy Wallach and Cynthia Faschini's beautiful home on the water in Norfolk. That new driveway was impressive. And those lovely flowers, well, they were, well, unreal! Thanks to you both, so much, for the delicious food and the wonderful hospitality, as usual. El Presidente was absent (in D.C., I believe) so the meeting was run by Vice-El Presidente J.D., who was obviously cured! Yeah!

New Members and Guests: Jack and Dorothy Price joined us. They have a 1979 MG Midget. Welcome!

Vice-President: J.D. had nothing to report, as he was busy with El Presidente's duties.

Treasurer: Jim Villers provided the following information: Balance forward from January was \$1,644.62. Receipts included \$54 from Raffle and Regalia and \$30 from dues. Disbursements included \$40.95 to Robin Watson for mailing and printing, \$35.00 to Sue Bond for the Flea Market, and \$40.00 to Andy as our host (that's HOST, not ghost; Andy shows up). Our current balance is \$1,612.67.

Activities: Beckey Watson advised as follows: The Tidewater Triumph Club put on a charity Poker Run April 1 at 2pm to benefit the Children's Hospital of the King's Daughters; minimum 10 cars, maximum 30 cars. At this time, the event is past, so hopefully, those that went had a great time and a lot of money was collected for the kids of CHKD.

We will have a Tech Session at Frank Linse's home on April 15. Surprise, Frank! Vince volunteered you. So good of him, wasn't it?

The Triumph Club will be driving to the Shelton Vineyards in Dobson, NC the weekend of April 20-22. The Sunbeam will be the featured marque. Steve Ward is the contact for this activity.

The Azalea Festival parade in Norfolk this year is on Saturday, April 21, with England as the featured country. It is a two mile drive beginning at 10:00pm at Harbor Park, so we all will assemble about 8:30am at the Park. I believe our final destination is still Doumar's for ice cream - oh yeah! When was the last time you had a root beer float?

The Colonial British Car Show will be held on April 22 at the Williamsburg Winery again this year. However, there will be no same-day registration this year; you must pre-register. Chuck Hassler has applications. He seems to think you *may* be able to squeeze in, even if you don't pre-register, but why take a chance?

The Richmond Virginia Aviation Museum will be open for the Richmond Triumph Register Show and a tour on May 6. Please check their website.

The TMGC 5th Annual Winery Tour will happen May 18-20 this year in Warrenton (northern Virginia) at a number of vineyards. Beckey sent me an email on this trip, which I promptly lost. I do remember that she said that the trip is limited to "12 cars" this year (I know I'm relatively new, but I had no idea that Little British Cars consume wine and go on winery tours; fortunately, I believe their owners get to join them). If you want further information on this activity, please contact Beckey Watson, our Activities Officer. Really fun people are accompanying their cars, so your LBC (and you, too) are sure to have a marvelous time.

The Brits on the Bay Car Show will be held on June 2 this year.

Clubs: Mike was absent, I think.

Historian: Susan put on a pre-2000 slide show. Wow, who WERE those people? And I really liked those bathing suit shots...the longer I'm a member of this club, the more *revealing* other members become....LOL (that's "Laugh Out Loud" for the AIM-uninitiated...that's "AOL Instant Messenger" for the computer-unsavvy...AOL means, oh, never mind...)

Newsletter: Basically, *The Dipstick* has gone electronic. This is the first month that it will be all *on-line*. If you wish to receive a hard copy of the newsletter, I guess you can still get a paper copy (don't worry, John T., I believe you can still get a paper copy for that reading you enjoy in an unmentionable part of the house). I believe you can contact Robin Watson (or email or call him) to let him know you wish to continue to receive a hard copy of *The Dipstick*.

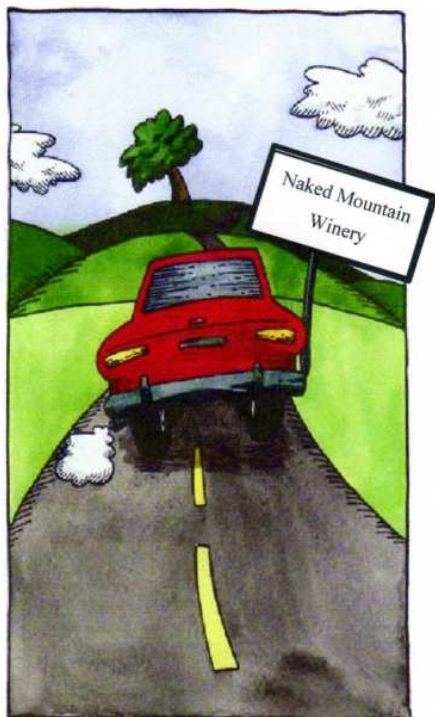
Membership: Robin reported that we have 102 members.

Technical: Mark was absent.

Old Business: None

New Business: Mike Haag mentioned that we now have a new website host: Network Solutions. For the last 3-4 years, WRHO had provided that service, but they became too expensive. The new charge will be \$119/year and we get free domain name registration, which saves us \$25/month. In addition, we will see a savings since we are no longer mailing out the rag (no disrespect intended.... for those of you who aren't "in the know," I wasn't dissing *The Dipstick*; that's the term that *professionals like me* use to describe their magazine...well, at least, it seems like I heard that somewhere...). Anyway, the most important part of this section is that we can get a whole bunch of email addresses. Now, like we were talking about at the meeting, I agree with Mike that all the club officers should have their own email address...I already know what I want mine to be; I was thinking HotMGChick, for example, and, hey, wait just a doggone minute...that reminds me

We're on the road again....



Annual Wine Tour May 18 - 20

This year we're heading to the Warrenton area and the tour will encompass 3 days.

Limit of 12 cars

Contact Beckey to reserve a space and obtain more information:

Mgactivities@aol.com

757-426-2600



Upcoming Activities (continued)

- June 3 Original British Car Day 30th Anniversary Meet, Adamstown, MD
www.chesapeakechaptermgclub.com
- June 3 Red Mill British Car Day, Clinton, NJ
www.mgdriversclub.com
- June 6 Wednesday meeting at Ron and Anita (Edwards-) Streuwing**
- June 8-10 Gold Cup Historic Races, VIR 50th Anniversary Celebration at Virginia International Raceway, www.virclub.com
- June 12 Dipstick Deadline**
- June 23 SCCA TSD, Stuart's Ride, Richmond, VA
www.odr-scca.org



about the SLAM that I received from our host Andy who thought I was referring to my teenage daughter, not me, when I suggested that address. Oh yeah, Andy, I'm supposed to be mad at you...OK, I take back everything nice I said about you in the first paragraph...not you, Cynthia, just Andy....

Marque Time: Vince Groover mentioned last month that he had many MG car parts that he was looking to divest himself of. He didn't mention car parts this month, but he did mention magazines. Now, Vince didn't mention what KIND of magazines he's trying to get rid of. However, if you are looking for magazines, possibly of any type, see Vince.

Chuck Hassler told us the Tale of the Peculiarly Problematic Pirelli Tires. (Now, Chuck, don't spaz if I get part of this story wrong, 'cuz you just talk awful doggone fast....). Chuck has a 1980 MGB that had 6-8 month-old Pirelli tires on it. His steering was wobbly, so he took the car to a trusted mechanic, who put the tires on a balancing machine. He reset the wheels and did a meticulous balance, but warned Chuck that the wobble would come back because those particular tires s---. The moral of the story is BE CAUTIOUS when buying Middle Eastern or South American-made tires because there may not be good quality control in those areas of the world and the tires that they produce might s---. (Note how I couch my evalua-

(continued on page 4)

Minutes (continued)

tion in terms of “may” and “might.” This is engrained lawyer terminology). Check the manufacturer’s date and country of origin – it’s on the side of the tire.

In addition, different manufacturers may (there we go again) produce different circumference-sized tires, even though they are the “same” size. On a TF for example, the difference in ride, comfort, and mileage can be significant between a 25 ½ inch v. (versus) a 24 ½ inch tire.

Andy and Cynthia just finished restoring a 1920’s bungalow and invited us to join them in a cocktail hour celebration the Friday following our meeting at their restored home. Thank you, guys.

Harry Watson brought our attention to family friends of his and Kenny’s whose 17-year-old son recently suffered a blood clot on the brain which resulted in brain damage. His parents are making their home wheelchair-accessible and putting on an addition for him, which will require money they don’t have. In order to fund the renovations and pay for the hospital bills, the young man’s dad is making really nice sports plaques for \$25. Please email him at bartman974@aol.com or contact Harry for further information on ordering the plaques, or just contributing to their renovation/hospital bills fund.

Bill Seib reported on the West Palm Beach Barrett-Jackson Auction. He noted that there were a few British cars there, including Healeys for more than \$100,000, a Morris Minor for \$13,000, and right-handed-drive Mini Coopers (apparently there were very few of them imported to the US). BTW (By the way), he is also selling a 5 bdm/5bath vacation home in NC if anyone is interested (hey, do I get an extra fee for doing the classifieds?).

Becky Hassler is participating in the Relay for Life at ODU on April 13 and 14 if anyone wants to donate or walk with her.

Terry Bond mentioned Hank Giffin (did I get that right?) is running for a seat as a Virginia Delegate from the Ocean View/Virginia Beach area. Uhm, Terry, are you asking us to support him? What am I supposed to be doing here? I thought I was the TMGC secretary. I was unaware that I was the classifieds editor and the political reporter. Well, if that’s what my fans want, I suppose I can do that...but now I REALLY want my own email address. As a matter of fact, I guess I had better have at least three different ones; one as the secretary, one as the classifieds editor, and one as the political reporter.

Raffle and Regalia: I actually won the *MG Enthusiast* magazine, which Robert promptly confiscated. Vince Groover won the license plate holder, Harry Watson won the MG hat pin, Jon Suponski won the MG stamp, and Susan Bond won the MG Logo blueprint, and George won first in line (but I saw Peggy

trying to slip in there ahead of him...).

We adjourned at 8:49 PM and proceeded to fill our bellies with very delectable goodies of all sorts, thanks to Cynthia and The One Who Shall Remain Nameless. If you have a problem with that Andy, ooops, I mean, One Who Shall Remain Nameless, you know what you can do....yep, sue me!

Membership and New Members

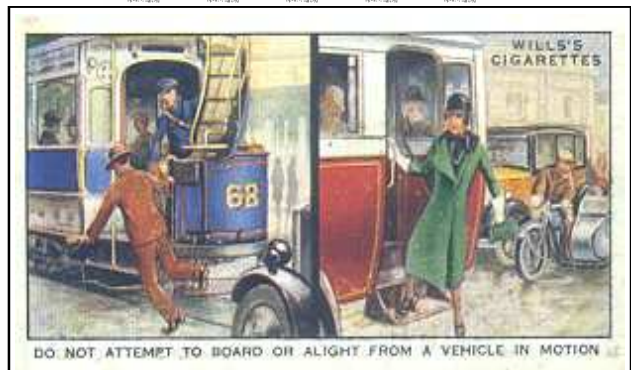
Robin Watson

Total Membership 102

Membership is up one from last month’s newsletter. Jack Price sent in an application form after meeting and talking to a member he met wearing a MG badge and finding out that there was a local MG club. Those of us at the April meeting got to meet Jack and his wife, Dorothy. In the past, I have usually added the addresses, phone and e-mail of new members to the Dipstick, but now that it is being added to the Web site I feel that I should exclude this information. Anyone who keeps their Directory up to date with new member information and would like the info on new members please contact me and I will forward it on to you.

Officers and Committees

President	Alan Watson	426-2600
Vice President	J.D. Hawthorne	723-0630
Secretary	Michele Peters	482-1012
Treasurer	Jim Villers	481-6398
Editors	Peggy Craig	226-7755
	Susan Bond	482-5222
Membership	Robin Watson	721-9277
Activities	Becky Watson	426-2600
Historian	Susan Bond	482-5222
Technical	Mark Childers	432-9155
Regalia	Becky Hassler	874-1477
Clubs	Mike Ash	495-0307
Webmaster	Mike Haag	mikehmg@cox.net



TECH Session – April 15th

Terry Bond

Thanks to Frank Linse for offering to host the April Tech Session. Someone forgot to take care of the weatherman though! It rained so hard that none of our MGs came out of hiding for the event. It surely has something to do with being so close to the ground on flooded streets, and perhaps Joe Lucas wipers as well.

Being resourceful as always however, club members brought their parts instead of their cars.



Terry Bond, John Terschak, Steve Daniels

John Terschak brought his MGB engine block and cylinder head for some opinions. Susan and I brought a couple of gas tank sending units in for check-out, and Vince showed up with an assortment of winding pieces for the newly restored MGA sitting



Susan Bond, John Terschak, Paul Thiergardt, Bill Olcheski, Steve Daniel, Frank Linse and Bob McClaren admire the A

proudly in bay number 1 at Frank's garage. That pretty red MGA sure was a hit! Everyone swarmed over it looking at the wonderful detail and finish. Knowing

what that car was like when they started, I can attest that the restoration was not an easy one. There was a good exchange of thoughts and ideas, a sharing of knowledge and tips and we all came away with something to help keep us motoring on.



Andy Wallach, Ron Struewing, Frank Linse

Enjoying the wet but fun afternoon were Stephen Daniel, Anita Edwards-Struewing and Ron, John Terschek, Bob Ross, Vince Groover, Paul Thiergardt, Bob McClaren (good to see you out again Bob!), Andy Wallach, Bill Olcheski, and Susan and myself.



Frank Linse, Paul Thiergardt



TTR Poker Run

Terry “the Navigator” Bond

If I navigated as well as I played Poker we’d be in big trouble! But, we sure had fun at the Triumph Club’s April Fool’s Poker Run. CHKD was the benefactor for this event, making it even more fun knowing there was a good cause gaining from event profits.

A total of 30 people in 13 cars took part, meeting at Bagel Joe’s in Chesapeake for starting caffeine. It was a great day, even for some top-down kinda folks. Later though, we would be glad we had the GT. Although only 7 of the vehicles participating were British, we decided to bestow “honorary” citizenship on the others, and give them a head start. Imagine those furiners not wanting to get wet!



Sue’s GT on left

This one was a little different. After lining up at the start, we were given a set of directions that took us to a place where we got our next set of directions. Not everyone got the same directions though. Still with me? The result was seeing each other coming and going while wondering if anyone really knew where we were going. Thanks to my expert navigation however, and Susan’s skillful driving and knowledge of the area’s roads (see, I’m writing this so I can get away with calling myself a skillful navigator, if it gets past the editor), quite fortunately (or is that “skillfully”?) we never got lost (we think). At least we managed to get to the next stop for the next set of directions, and a card for the poker hand.



Bob’s B in middle

To make things interesting, there were some questions to be answered along the way. Little did we suspect however that the final set of instructions would

call on our powers of observation to such an extent. We still don’t know if we got them right or not. Because of our ineptitude in drawing a successful poker hand, they never had to resort to the tie breaker questions.

There were some great roads, and seeing all the others passing by en-route was a lot of fun. We finished in the rain at Lone Star Steakhouse in Chesapeake for a great meal, a well deserved ale and a round of good fun with our Triumph hosts.

Winners were Ed and Carmel Million with 2 pair — Jacks and Tens! The prize, very appropriately, was a discount coupon for the restaurant. Nice touch!

Susan and myself with her trusty GT, Bob Ross and Steve Allen, Frank and Anna Worrell in their MGs represented the Tidewater MG’s well. It was just a darned lot of fun to see all those LBCs on the road.

The Tidewater Triumph Register expressed their thanks in an email for the support and participation of the MG crowd. ‘Twas fun and for a good cause.



Checking in at the check-point



“A Few MG Tidbits”

Mike Haag

In the February 2007 issue of the UK’s Classic & Sports Car (C&SC) magazine, there was a short article titled “Is the MX-5 the new MGB?” According to the article, it seems that Mazda “MX-5s are wowing a new generation of enthusiast drivers” and that “Rubber-bumper Bs are out of favor.” With the price of good, used MX-5s dropping, Ray Hardacre of Cleevewood Garage in Bristol says, “It’s too easy to buy a good MX-5. You don’t need specialist’s advice or input, to know it has taken over from the B. You just can’t sell the late MGs now--no one wants them.” How soon before we see the same thing in the States?

Link of the Month

www.advanceautowire.com/

Another bit of potentially bad news appeared in the March 2007 issue of C&SC when they reported that “recent postings seem to indicate that the new seatbelt legislation in the UK is going to have an impact on B GT ownership”. Although some owners have fitted harnesses or seatbelts on the rear seat to occasionally transport children, “with the new requirement to sit shorter children on a booster seat up to the age of 12, it is now impossible to accommodate sprogs – which means that the MGB GT now has very little worth as even occasional practical family transport.” The MGB GT “once practical, now under threat.”

On an upbeat note, the same magazine in their April 2007 25th Anniversary issue had an article on the “Top 25 Classics, the best you can buy for up to £25K.” The MGB placed 2nd, behind the Porsche 911 and ahead of the Jaguar E-Type. The panelists agreed that the MGB “is just so willing and friendly, so usable, so practical, reliable and easy to maintain, that it is not just the perfect first classic, but the ideal anytime classic.” Some panelists “loved the styling but hated the fussy detailing”, while others “loved the comfort but bemoaned the hood”. All wanted more power, though.

While on travel last month, I was reading a USA Today article about NASCAR broadcaster Mike Joy, the play-by-play announcer for the Nextel Cup races. Mr. Joy is a classic car collector, and often advises people who are bidding at the Barrett-Jackson Collector Car auctions. He “owns about a dozen automobiles and buys two or three classics a year.” What is his current favorite classic car? A 1967 MGB. Joy states that “I get in that car, I’m 21 again.”

Recently on NPR’s “Car Talk”, Ray and Tommy began the show by reading a letter from a listener discussing how much she loved and missed her 1952 MG TD. The conversation quickly turned to Tommy’s MG TD, with Ray asking Tommy, “You know why MG made such small gas tanks?” Tommy said “No, why?” Ray followed with “so you couldn’t get too far from home before it broke down!” Ouch!



I found a site today that has a PDF download of full color MGB wiring diagrams. There are 33 wiring diagrams in the file and they print out sized at 11x17 inches.

Once printed you can get them laminated at one of the local shops and hang in the garage for reference. The large size and full color really makes locating the problem much easier and certainly beats trying to decipher the diagrams in the workshop manual. (Yes my eyes are getting old, but just my eyes not the rest of me! LOL :)

Give my best to the rest of the members, hope to see you soon

Michael Marcialis



From “The MG Type”, newsletter of the Sacramento Valley Car Club. Sent in by John Tershak. Reprinted with permission.

Follow up to The Oil is Killing our Cars

Enclosed are a couple of e-mails from the Morgan List. They have been compiled by Lorne Goldman, one of the list's moderators. I think that these will shed a lot of light on the issue of oil, Additives, and engines. While he is not a petroleum scientist, he is a rather thorough researcher, and the included info is a distillation of a number of discussions that have been taking place on the Morgan forum. Submitted by Mike Singleton

In terms of those of us using catalysers what are the implications of boosting ZDDP level back to the earlier norms? Perhaps by using additives? Richard (NI)

Good question without a ready answer. First here is the ZDDP background. It has nothing to do with slipperiness and such. Far more complex than that. Here is an excerpt that may help;

“Chemical additives are a critical component of all lubricants and coatings, and by far and away the most extensively used additive in motor oil is a chemical additive named ZDDP, with over 30 million pounds used in the United States alone each year”. Regulatory steps are currently being undertaken to which will force its use as a motor oil additive to be diminished and pos-

sibly even eliminated. This is bad news for ZDDP manufacturers.

ZDDP has been the most commonly used additive in engine oil and is an anti-wear additive that when heated in the high temperatures of the engine, forms an extremely thin layer of phosphorous glass over the engine surfaces (known as "glassivation"). This new layer of glass is perpetually worn away and replenished in place of the metal itself. You might be very surprised to know that ZDDP was invented and first added to engines about 60 years ago!

So if ZDDP has been so successful as a product and works so well as an anti-wear, what's the problem? The answer is that while ZDDP works to protect engines very nicely, it has other performance features that have become detrimental in modern automotive engines.

The presence of ZDDP causes "glassivation" of the engine surfaces, which serve to better protect them. The negative repercussion of this effect is that this glassivation also carries through the exhaust system to include the catalytic converter, coating over and thus deactivating (over time) the primary device in an automobile's anti-pollution arsenal.

The NEW EPA rules require OEM's to certify the effectiveness of their catalytic devices to a certain level for a minimum of 120,000 miles. This target is currently difficult to meet given that ZDDP induced glassivation causes the catalytic device effectiveness to eventually fall below minimum performance thresholds.

In other words, let's assume, (being VERY conservative) that the use of ZDDP shortens cat life to 100,000 miles. If you are a good citizen, you can negate the effects of ZDDP by changing your catalytic converter(s) every 100,000, or, in an environment that checks your emissions regularly, when you are told they require replacement. At a high average Morgan yearly mileage (5000 miles a year), with ZDDP your cats should last 20 years.

In fact, if they are not stainless steel, they will rust long before that. However, the EPA is correct. Most environments do not test cats and most people don't replace them. By shortening the cat life span, and not requiring new cats, the law & ZDDP allows non-cat treated exhaust into the atmosphere after 120,000 miles on a new car.

The ZDDP itself is not a pollutant.

I have read that alternative additives were created or proposed (mostly Teflon or silver based) to be used as the ZDDP was taken out but I cannot find any evidence that this was done.

Interesting side note here. The ZDDP breaks down with usage, normally after 2000-2500 miles (see http://www.noria.com/learning_center/category_article.asp?articleid=764&relatedbookgroup=OilAnalysis)

That lifetime in oil makes the frequent Plus 8 oil change suggestions we have made here make scientific sense. In a nutshell, for cat cars, the use of ZDDP will make a difference to emissions after 100,000-120,000 miles. For non-cat cars, there is no difference. --Lorne

Here is my ZDDP report from the camshaft makers. ALL camshaft makers I contacted in the US (4) and Canada (1) were aware of the problem. Some have tested extensively, others less so.

In the UK, there was less awareness (2/3) but this was expected. The oil companies started phasing in the new formulations in the US about 18 months ago, and they are only being adopted by the divisions in other countries with varying delays. The oil companies all agree that the US API formulations will inevitably be adopted worldwide. (sigh)

Before any conclusions, here is what I was told.

CRANE

A US Florida based cam company. They have done tests with top equipment and dynos. Their conclusions are that the issues are thus far confined to new cams/tappets installation.

Each time you install a cam and tappets, the first usage is the most important. In an ideal world the tappet is supposed to rotate on the cam and this leaves a happy "signature" on the cam as the tappets and components "marry" each other. The lack ZDDP can prevent the tappets from rotating properly and the cam is damaged. If the cam is damaged, the heart of the engine is damaged. It must be replaced.

However, they say if the bed-in goes well, the risks greatly diminish and damage is unlikely. Recommended oils were Pennzoil GT Performance, Shell Rotella, Dello, Delvac, and Esso Assist. The best additive they know of is the GM EOS (aka AC Delco Engine Oil Supplement) and they say Ford has an equivalent.

Avoid the use of synthetic oils in any new motor, new cam, new tappets, situation.

KENT

A UK based cam maker. They have heard of the problem but are not fully familiar with it. They recommend the use of a "bedding-in" oil with any flat tappet cam and caution against the use of any synthetic oil during that period.

CROWER

A West Coast based cam maker...also does made-to-measure solutions. I spoke with David Crower. Their solution for the problem to date is to recommend GM EOS a start-up (or the Ford equivalent) and counsel diesel oils after. (Diesel engines do not have cats

(YET!) so their oils still contain high levels of ZDDP for the moment. He counsels against the use of synthetic oils at start up.

A switch to a roller rocker, roller rocker tappets and a made-to-order cam is possible. but will be VERY expensive. Figure \$2000 all in excluding tax, shipping and labor. This can be brought down if 100s are ordered. (sigh)

However, he does not see the issue as a component issue, though that can eliminate it. It is a question of the proper bedding in oil and blend afterwards.

PIPER

UK cam manufacturer. No awareness of the issue.

DELTA CAMSHAFT

The issue is VERY real but is confined to a bedding in problem. Use a high quality mineral oil with EOS. After bedding in. first few hundred miles, you can switch to your favorite without additives. Beware of the diesels; they are going to be reduced in ZDDP as well. He noted that either Kendall or Castrol will be going out with classic oil versions "Castrol Classic", with the original additives.

COMP CAMS

These fellows are the biggest, produce fewer than 7 in-house names and make cams for scores of other houses. Reputedly (from other makers), they are also the fellows who found and identified the problem originally, issuing their now famous (infamous?) #225 Tech Bulletin: Flat Tappet Camshafts. I spoke to the author, Chris Mays.

He also sees the issue as a bedding in problem..first 300-500 miles. Without sufficient levels of ZDDP, the cam will be damaged. They recommend the use of GM EOS for that period. However, as he sees no harm in continuing to use it after, he is recommending that to his friends.

CONCLUSION

Though the issue is real, there seems to be a consensus that it is a start-up issue. Though all the US camshaft makers have seen damage when the ZDDP is missing or reduced with a new cam and tappets, none have seen any damage after a proper bedding in.

With that in mind, the article making the rounds of the internet, "OIL IS KILLING OUR CARS!!!" by Keith Ansell, Foreign Parts Positively, Inc. seems to have gone too far in leaving an impression of impending doom for all flat tappet engines.

Special care must be taken in what oil is used for a bedding in period. This caution should go beyond cam lubes and on into the oil used in a flat tappet engine. It should contain sufficient amounts of ZDDP (1200ppm) or an additive used. The additive universally recommended was GM Engine Oil Supplement (EOS) also

made by AC Delco. (All the US suppliers warned against the use of synthetic oils during the bedding in period.)

After the bedding in period, none indicated the ongoing necessity of certain levels of oil ZDDP. However, there were unsolicited codicils to the effect that they could any harm it could cause.

I am also waiting on a close contact I have at Amsoil. He tells me there are three oils that contain all we need. Watch this space. Lorne

MG in China

From Frank Worrell:

Sue, I've got the Website for the new MG,"HOT from my friend in China.....Notice the driver, THE American, "Modern Gentleman"!.....and the 1st photos I've seen yet. [Hope you can read Chinese.] Also I was told yesterday that the first MG rolled out of the assembly plant over the last few days!, I'll sent you more as I can get it



www.nacmg.com

And

MG Plans 40 U.S. Dealers, No Matter Where The Cars Are Built

April 2nd, 2007 2:33 PM

Color us a little confused. Recent scuttlebutt out of MG, the British marque recently purchased by China's Nanjing, is that the company's planned facility in Ardmore, Oklahoma, has been ashcanned, something confirmed by an MG official recently on NPR. Why, then, is the company's joint-venture partner in the States, Oklahoma Global Motors, telling Automotive News China that they're still on the case? Perhaps the plans aren't quite so dead after all.

In any case, regardless of where the cars are assembled, the plan is to have MG TFs hitting Stateside streets sometime next year, and the group expects to have a prototype coupe together by the end of 2007.

To that end, OGM is seeking to establish as many as 40 dealers in the U.S. right out of the box. Would-be dealers looking to apply for a franchise will likely be communicating with John English, the firm's president (and former Lotus bigwig).

But Geoff Wheatley says:

Think about this rationally.

- One: They have just built a multi billion plant in China.
- Two: They are upgrading Longbridge next year to the tune of 150 million bucks.
- Three: The MGTF is nine years old and could not pass US regulations then and that is the sports car that they intend to produce over the next three years.
- Four: The US CEO was sacked on December 31st 2006 and he no longer has any direct association with MG China.
- Five: They have no Dealerships in North America.
- Six: There are no plans to obtain any until they can produce a new Sports Car that can compete with all the other Sports vehicles in North America so why should they even think about a US Plant?

Geoff also sent this in:

This is a copy of an article that will appear in the next issue of British Marque. I have tried to give a balanced picture of the current situation from the information that I have gathered. Geoff Wheatley

NAC China

Ever since the collapse of the Phoenix group in the summer of 2005, and the purchase of MG/Rover by the Chinese company NAC, there has been almost total confusion this side of the Atlantic on what the future of the marque might be. The situation has not been helped by various ill-informed media reports on the future of the old BMW Longbridge factory, once the center of both Triumph and MG/Rover production and, of course, the early original Mini.

One of the problems is the policy of NAC not to issue any PR Reports on their intentions either in the UK or elsewhere, including the USA. Yes we did have the comments of Mr. Duke Hale in July 2006 about the building of an American production plant in Oklahoma and the possibility of a new MG being introduced into the American market and his comments that NAC MG USA would control the international operation out side of China. (This did not go down well with his Chinese masters or the British media, resulting in a Press Conference in London five days later with NAC

making it quite clear that the proposed American venture was simply a Letter of Intent not a formal contract.) Mr. Hale and his team have now left the employment of NAC and, to my knowledge, there has been no further news on the creation of a production plant in the USA.

To get some perspective on the current situation, it is necessary to go back to the purchase of MG/Rover by BMW over ten years ago. In reality BMW did not need another sports car as they were about to launch the highly successful Z3 onto the US market, while the European market was more than covered by both home grown products and, of course, the expanding Japanese range of attractive two-seated sports products. So one has to ask, what was the real attraction?

I suggest that it might have been the prospect of a re-vamped Mini, a car that rivaled the VW Beetle in both market share and desirability. It was still selling after forty years and the design had not improved that much since its introduction in 1959 as an inexpensive, economical, cute run-around vehicle. The fact that Rover and MG were also thrown into the purchase pot was, to BMW, simply part of the purchase price which, as you will recall, was not exactly small potatoes by any standard! The Rover potential was at best modest but the MG still had a strong market following, especially in the UK and USA.

Regretfully, the development of the new BMW MGF was not an outstanding success, not because of any problems of style or design, quite the contrary. The idea of a mid-engine MG sports car was acceptable to most of the potential buying public – in fact it was almost an advantage when they remembered the out-of-date MGB that was pushed onto the market for over 18 years. It was the ongoing problems with the power unit that seemed unable to retain a cylinder head for very long that spelled disaster. Blown gaskets and all that went with it were the never-ending problems of the then new MG vehicles.

So what do you do? Continue to lose two million bucks a week, some say a day but that has never been qualified, or sell the product to anyone willing to take over the problems? As we know it was the latter choice and MG/Rover passed hand for the princely sum of around \$18 at today's exchange rate, sold to the Phoenix Group who had great plans but, regretfully, not much cash to support their ambitions. What was never made clear to the public was the real contract details. In 2000 BMW sold Land Rover to Ford but kept Rover under their control. They then sold Longbridge assets in company with the Rover Sedan vehicles produced by the old Rover company and the MGF to Phoenix Venture Holdings for ten pounds. However in reality this was a 500 million UK pounds loan to Phoenix repayable in 2049 or sooner, depending on how successful Phoenix proved to be.

In addition, there was a huge stock of unsold cars, both Rover and MGF, worth several hundred million dollars included in the sale, again on the assumption that Phoenix would be a successful venture.

However the name Rover was still held by BMW who promised Ford that, as and when, they would have first refusal if BMW decided to sell the Rover name. (This of course happened just a few months ago). Despite the attempts of the Phoenix Group, both the MGF and the re-vamped MGTF were not that successful and, despite what their PR Dept said on a number of occasions, would never get into the North American market without some serious

investment, which of course they did not have.

In 2005 the company went to the British government for a short-term loan. In its wisdom, and remembering the fact that De Lorean had taken the government of Prime Minister Thatcher for about 45 million a few years earlier, Prime Minister Blair refused to help.

In a matter of days, Phoenix was no more and the whole operation went into receivership while about 6000 workers lost their jobs in an area that was already depressed. No one is quite sure of the exact figure, but around 50 million UK pounds had to be found by the Blair government to support the lay-off of Phoenix employees. The company had asked for a short term loan of between twenty five and thirty million, not a good example of economic evaluation by the British government!

In the late summer of 2005, along comes NAC with an offer that the receivers could not refuse. The purchase included the Longbridge factory which, despite UK media reports, was still a viable and productive unit capable of producing cars in acceptable numbers. The problem that caused the British media to doubt the capacity of Longbridge was the original sales/lease agreement that included a clause with a six month escape for NAC to withdraw if they wished. As we now know this was never activated, but in 2006 great play was made of this in the British press. In reality, today Longbridge has the capacity to meet any current needs required by NAC as Phoenix made a substantial investment in the plant during its Rover / MG period and even had a small development division who were working on one or two new models. Had the investments materialized and sales progressed there is little doubt that we would have seen at least one new MG Sports vehicle before 2010. As they only had the use of the Rover name for a maximum of ten years I doubt if any new Rover products would have hit the sales floor, but MG, certainly!

NAC see China as their principle market for the MG, but of course they are not unaware that the USA is the goal in the long term and, of course, the original home of MG, the UK. The product over the next couple of years will be a revamped MGTF that one hopes will be rid of its head gasket problems. It is planned that about 3000 MGTF cars will be offered in 2007, all produced out of Longbridge where there are several Chinese engineers in residence. In fact they have been there for at least a year, some longer. The top man is Mr. Wang Hooliang, CEO of the UK operation. There are still a few Americans in residence left over from the short but interesting Duke Hale period with NAC MG. Production staff are also being re-employed, but that is proving to be difficult, as many of the original workers who built the MGTF are now scattered to the wind in other employment and are a little nervous about returning to a company that may not succeed.

To be fair to NAC, they have done everything that they indicated back in the fall of 2005. It is not the nature of the Chinese to say very much about the future until they are confident that they can match the PR reports that we in the USA are used to. Here we tend to say it first and then work our rear ends off to try and achieve what we have promised. The Chinese tend to work the other way! There is little doubt that they are in earnest in their desire to make this investment a success, to the point that a new production factory is already under construction in China and should be open by the time

you read this. Is there an international market for a Chinese MG? Who knows?

If the product is right and can compete with all the other sports cars that we now have to choose from, the answer could be a firm yes. I know that any of my MG toys always attract interest where ever I go, and a lot of the admirers are under thirty with money to spend! (My only comment is that I wish I was one of them). Phoenix were never able to produce a new style vehicle and that is a serious problem when you are trying to get back into the market under new management. NAC have to face this problem and solve it as their first priority within the next three years.

Both here and throughout the world there is a wide variety of modern well-built sports vehicles backed by international names. The proposed 3000 vehicles that NAC MG plan to produce in the next twelve months won't even be a drop in the market and I suspect will do little to enhance the future of the marque. But, and it's a sincere BUT, they are willing to invest in this project with real funds and, equally important, real enthusiasm. On the face of it, the whole operation seems like a big gamble that many of us who grew up with MG hope is successful.

I am indebted to my friends Roger Parker and Richard Monk of the MG Owners Club in the UK for their contribution to this article. Both were guests of NAC MG in China earlier this year and were kind enough to share their experiences with me.

In April I will be in the UK and obviously will meet with Roger and Richard preferably over an English pint. I am sure that they will have more to tell me about NAC MG that I will share with you at a later date. Geoff Wheatley



An MG Midget pulled alongside a Rolls-Royce at a traffic light. "Do you have a car phone?" its driver asked the guy in the Rolls.

"Of course I do," replied the haughty deluxe-car driver.

"Well, do you have a fax machine?"

The driver in the Rolls sighed. "I have that too."

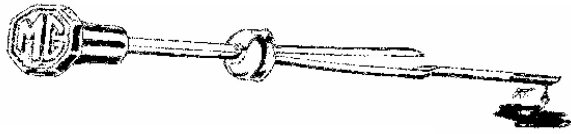
"Then do you have a double bed in the back?" the Midget driver wanted to know.

Ashen-faced, the Rolls driver sped off. That afternoon, he had a mechanic install a double bed in his auto.

A week later, the Rolls driver passes the same MG Midget, which is parked on the side of the road--back windows fogged up and steam pouring out. The arrogant driver pulls over, gets out of the Rolls and bangs on the Midget's back window until the driver sticks his head out. "I want you to know that I had a double bed installed," brags the Rolls driver.

The Midget driver is unimpressed. "You got me out of the shower to tell me that?"

The Dipstick



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8:00 Meeting

