

The rise and fall of John DeLorean , dashing, maverick automaker

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By Genevra McLaren

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The **DeLorean** was immortalized in the 1985 hit film "Back to the Future" — it's the cool car that was transformed into a time machine by the kooky scientist. The man behind the machine has a story of his own, just as colorful as any Hollywood movie.

As a young executive in the 1950s and '60s, **John Zachary DeLorean** quickly climbed the ranks of Detroit's auto industry, pioneering such ventures as the Pontiac GTO and Pontiac Firebird and later becoming vice president of General Motors Corp.'s North American car and truck operations.

But he left it all behind when he started **DeLorean Motor Co.** in 1978 and created his namesake car, the DMC-12, often referred to as the **DeLorean** . The car and the company would become both his crowning glory and his downfall. Problems arose when the company began to face financial difficulties. **DeLorean** was arrested on charges of drug trafficking, in an apparent attempt to raise money for his sinking company. He was acquitted of the charges but was never able to shake all the associations.

DeLorean was born Jan. 6, 1925, in Detroit. He was the eldest of four children born to European immigrant parents — his father worked as a millwright for Ford and his mother took work whenever she could to supplement the family's modest income.

DeLorean 's account of his childhood was less than glamorous. He recalled the strife of growing up without money.

"You don't know what poor is until you know how poor we were. We were really poor," **DeLorean** was quoted as saying in the book, "Dream Maker, the Rise and Fall of **John Z. DeLorean** ," by Ivan Fallon and James Strodes. "When I was 12, I got one of those Sears, Roebuck suits that cost \$12 in those days, and I wore that suit until I got out of college to go into the service. It was the only one I ever had."

DeLorean 's childhood home was a three-bedroom house near Six Mile and Dequindre. The family was able to scrounge up money for saxophone lessons for **DeLorean** , who loved jazz. Life in the neighborhood wasn't easy by any means, and **DeLorean** picked up an aggressiveness growing up that would lead him to take chances later in life.

He attended Detroit's Cass Tech High School and those music lessons must have paid off, because he received a music scholarship to attend Lawrence Institute of Technology. **DeLorean** was an excellent student and well liked by his professors and peers.

"He was probably the best student I ever had, and the nicest guy. Even as a big shot, he would run into me at an auto show or a restaurant and he would always have the time to say hello and chat," said Hurst Wulf, **DeLorean**'s former engineering instructor at Lawrence.

His studies were interrupted in 1943 by World War II. He was drafted into the Army, where he served for three years. When he returned to Lawrence, he earned a bachelor's degree in industrial engineering in 1948. Later he would earn a master's in business administration and automotive engineering. **DeLorean** began working for Chrysler while he was still in school.

He came to GM's Pontiac division in 1956, after a brief time with Packard Motor Co., and by 1959 he was named assistant chief engineer.

On June 24, 1965, **DeLorean** was promoted to general manager of the Pontiac Motor Division. He was 40 years old, and the youngest man to hold that title among GM's corporate divisions. He made another jump when he was named general manager for Chevrolet in 1969.

DeLorean wasn't the typical executive. He was a self-proclaimed hippie, who sported a shaggy hairdo and went against the grain. He was glamorous, made friends easily and mingled with socialites and celebrities.

In 1972 he received another promotion, becoming vice president in charge of GM's North American car and truck operations. But his time at this post was limited.

DeLorean was said to have "fired GM" when he quit abruptly April 19, 1973, leaving behind a \$650,000 yearly salary.

Officials from GM have argued that **DeLorean** was given the ultimatum of stepping down voluntarily or being fired, but **DeLorean** always publicly held the position that he made the choice to leave.

"I didn't feel like I was in the game any more," **DeLorean** was quoted as saying. "I was promoted from being division manager, which was like being quarterback, to a group executive, which is like being the owner of the stadium."

DeLorean became the president of National Alliance for Business, an organization of socially conscious executives, soon after his resignation, allowing him to retain ties to the industry. And in May of the same year he married his third wife, Cristina Ferrare, who was a model and more than 20 years his junior. They were dubbed the "duke and duchess of Detroit."

DeLorean introduced the concept of his masterpiece of a sports car at an auto dealers' convention in New Orleans in early 1977. About a year later, in April 1978, he broke ground for the new **DeLorean** Motor Company in Northern Ireland. Bids to bring the automotive plant to Detroit were made, but **DeLorean** was over the Motor City car scene, and had had enough of the political games of executives, as is evident from his best-selling book "On a Clear Day You Can See General Motors."

"Leadership and innovation are impossible," **DeLorean** says in the book. "... Not only are these people of no help, most of what they do is wrong. After a short time, the isolated executives would find their markets taken away by competitors who were attuned to the wants and needs of the public and who were exercising their franchises to operate responsibly."

And this is exactly what **DeLorean** was going to attempt to do. He wanted to provide an "ethical" car for the people, and he wanted to be a competitor to the crowd he was once a part of. He was going to try something that no American had attempted in 50 years: starting a new auto company from scratch.

His new enterprise was backed by the British government — it was happy to bring jobs to an area of poverty — and by many of **DeLorean**'s celebrity friends, including Johnny Carson, Sammy Davis Jr. and oilman Donald B. Anderson.

The hype surrounding the **DeLorean** sports car was tremendous. It was different. It was stainless steel and fiberglass and sported gull-wing doors that opened upward instead of outward. Advertising agents battled to represent the company and the car.

Despite the publicity, sales of the sports car tanked, and the company began to experience financial troubles. **DeLorean** was desperate to find funding to keep his sinking dream afloat.

DeLorean was staying at a Los Angeles hotel Oct. 19, 1982, when he was arrested on charges of financing a \$24 million cocaine deal. The same day, the DMC factory closed, workers were laid off and millions of dollars in investments were lost.

Executives in the auto industry had mixed feelings about the arrest. Most of them were surprised, such as former GM vice president and **DeLorean**'s close friend Semon E. Knudsen.

"Since he became involved with this sports car venture, never did I hear anything from him but that he was absolutely positive of this project," he said.

Some were angry, such as Leo-Arthur Kelmenson, president and CEO of Kenyon & Eckhardt, Chrysler's ad agency.

"It's a tragedy for American business," he said. "It really bothers me that thousands of men who put their lives into building businesses and creating jobs are now going to be suspect. This is what our critics need to fuel the fire of their anger."

DeLorean spent 11 days in jail before being released on \$10 million bail. He was indicted on nine criminal counts by a federal grand jury.

The trial was high profile. **DeLorean** pleaded innocent to the charges. It took six weeks for a jury to be selected. The government had video tapes showing the alleged drug deal and recorded phone conversations, and he faced up to 72 years in prison if convicted. **DeLorean**'s defense team, headed by lawyer Howard Weitzman, argued that he had been set up in an entrapment scheme, and that **DeLorean** would not have gone looking for drugs unless they had been offered. The defense said the government knew **DeLorean** was desperate for money and sought him out.

He was eventually acquitted of all charges against him.

DeLorean's wife, Cristina, stood by his side during the trials, which lasted about two years. But shortly afterward, they divorced. They had one child together, Kathryn. Cristina was reportedly having an affair throughout the trials with ABC executive Tony Thomopoulos, the man she later married.

The trial was hard on **DeLorean**. He lost a lot of friends.

"There are some close friends I still see, but for the most part people want to hold back, stay away from any close involvement with me," he said in an interview with The Detroit News in October 1986. "I can't blame them, they don't want any undue government scrutiny. And I'm sure that would happen."

The next few years were spent dealing with suits over bankruptcy, fraud and the legality of money raised for DMC. He was forced to pay millions in fees and lost suits.

After it was all over **DeLorean** still dreamed of building another sports car, and he remained optimistic about his future.

"I honestly believe the best part of my life is still ahead of me," he said in a 1986 interview with Playboy. "If nothing else, the events of the past four years or so have certainly given me a new and different perspective in life."

DeLorean died March 19, 2005, from complications of a stroke at age 80. He is remembered as one of the few automakers who dared to challenge Detroit's entrenched carmakers and start his own car company in the past 75 years. But despite his talent and ambition, he could never quite shake the image associated with the scandal which led to his downfall.

DeLorean's sports car still has a loyal following. About 9,200 DeLoreans were manufactured in three model years and more than 6,200 are still on the road. Owners keep in touch through numerous **DeLorean** clubs and associations worldwide.

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