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ABBREVIATIONS

- ACTSS* Association of Clerical, Technical and Supervisory Staffs
AUEW Amalgamated Union of Engineering Workers
BSA Birmingham Small Arms Company Limited
CSEU† Confederation of Shipbuilding and Engineering Unions
DoI Department of Industry. *Lifespan 16 April 1974 to 11 August 1983.*
DTI Department of Trade and Industry.
Lifespan 20 November 1970 to 16 April 1974.
ECGD Export Credit Guarantee Department
ICOM Industrial Common Ownership Movement
KME Kirby Manufacturing and Engineering
MBH Manganese Bronze Holdings
MCA Motor Cycle Association
Meriden Often used to mean the workers' co-operative,
Triumph Meriden Motorcycles
NVT Norton Villiers Triumph Limited
TGWU Transport and General Workers Union
UCS Upper Clyde Shipbuilders

* White Collar section of TGWU.

† Often referred to as the 'Confed' by trade unionists.

This study will discuss the decline and events surrounding the unconventional end to the British motorcycle industry and the phoenix of the Triumph Meriden Motorcycle Co-operative conceived as a reaction to the threat of closure that eventually proved to be ephemeral. Triumph motorcycles had become part of the industrial holding company Birmingham Small Arms (BSA) in 1951. In the face of bankruptcy it had been government aided into a reverse take-over by the only other British motorcycle manufacturer Norton Villiers to form the Norton Villiers Triumph Company (NVT) in July 1973.¹ The new company was owned by Manganese Bronze Holdings (MBH) controlled by Dennis Poore with the state as a major stakeholder. NVT immediately proposed to rationalise the business from three factories to two by closing the Triumph Meriden factory with the loss of 1,750 jobs.²

The Triumph workers reacted unremarkably for the time in response to redundancy by occupying the factory. Thousands of other industrial workers across Europe and North America took similar action to the global economic downturn.³ In Britain the 'work-in' at Upper Clyde Shipbuilders had inspired a wave of over 102 factory occupations between July 1971 and March 1974. In Norfolk during 1972, after an occupation, a handful of women workers who had resisted closure formed a workers' co-operative.⁴ After an eighteen month occupation the remaining 200 workers at Meriden resumed work for a company that they controlled and with the financial backing of the Labour government.⁵ As Meriden reopened the government was embarking on a new course, Eric Varley replaced Tony Benn the pro-state interventionist

Industry Minister and the Treasury increased its control.⁶ The motorcycle operations of NVT slipped into liquidation leaving Meriden the sole surviving British motorcycle manufacturer. *Management Today* commented that 'There can be few cases of industries collapsing so swiftly and so completely.'⁷ This study concentrates on the weak performance of the industry during its final period. However, it acknowledges the Steve Koerner thesis that the underlying factor responsible for the decline was the inter-war strategy to concentrate on low volume production of larger machines generating higher profits.⁸

The history of the British motorcycle industry is one of gradual and irregular decline from global supremacy in the 1930s.⁹ There are a small number of studies of the industry but not as proliferate as that for motor vehicles.¹⁰ The company has some similarity to Leslie Hannah's description of corporate development in Britain in *Rise of the Corporate Economy*. It grew from an armaments manufacturer to an industrial holding company absorbing several legendary motorcycle names to become the dominant British manufacturer.¹¹

BSA displayed the common weaknesses of a holding company as described by Derek Channon in *The strategy and structure of British enterprise*, it lacked a central policy making direction, and the Board strategy was in essence to have no strategy.¹² One cause given by *Management Today* was that 'British firms were small and run by men with limited management horizons.'¹³ The BSA company had nothing

approaching a complex managerial hierarchy that Alfred Chandler described in *Visible Hand or Strategy and Structure*.¹⁴ Even after the management consultants McKinsey had recommended a move to a multi-divisional form in 1964, its introduction was very problematic and caused conflict between existing management.¹⁵ One managing director of the motorcycle division, Edward Turner reacted to the introduction of the multi-divisional form by declining to take an interest in the BSA and Ariel factories in Birmingham, rarely leaving Meriden. Meanwhile the whole company became ossified with 'BSA and Triumph...fighting each other almost to the bitter end.'¹⁶

Ironically, it was Turner who had identified the smooth multi-divisional structure at Honda of Japan on a visit in 1960. Honda shared with BSA both a foundry and a machine tools division but unlike BSA with its separate firms, the divisions at Honda were fully integrated into the structure.¹⁷ The BSA Company attempted to integrate its motorcycle operations, and although transaction costs were reduced the results illustrated by a former BSA Executive, Bert Hopwood were almost absurd.¹⁸

The decline of industrial Britain often referred to as the 'British disease' has been a common feature of academic research since the 1970s.¹⁹ The primary reasons have been given as low productivity and a declining rate of profit together with the gradual loss of both home and export markets. Although much research has been done on the motor vehicle industry there have been minimal published scholarly studies of the motorcycle industry.²⁰ The motorcycle industry shares a number of similarities with motor cars in

the issues raised in the aforesaid studies such as problems associated with a wide product-range, labour intensive production, weak management and declining profitability.²¹ The motorcycle industry is however distinguished by its far higher rate of decline from being the third highest export earner in the 1950s to virtual collapse in the mid 1970s. Despite the rapidity of decline of the motorcycle industry institutional studies of the motor vehicle industry bare some similarity in respect of the relationship between government, industry and workers.²²

The industry blamed the decline on Japanese competition caused by government policy that had forced them to neglect the home market because of 'fiscal measures' and interference.²³ The only defence of the industry is a reply to this debate by the right-wing Conservative 'think-tank' Centre for Policy Studies that government intervention can be blamed for its disappearance.²⁴ However the only comprehensive business history of the industry by Steve Koerner argues that it collapsed because of 'internal weaknesses'.²⁵ Koerner's study suggests that there was no single factor but several contained in three phases. The factors ranged from the ineffective response to the collapse of demand during the 1930s, failure to develop a cheap lightweight product during the post-war boom, to the final phase when managerial 'culture' misguidedly dismissed Japanese competition.²⁶

At the 1969 BSA Annual Meeting, the Chairman agreed that Japanese competition was beginning to encroach into the 'super-bike' segment of the USA market.²⁷ Unfortunately, as another BSA executive admitted, their

response was to do nothing.²⁸ The failure of the industry to meet the challenge from Japan was one of the chief criticisms of the 1975 Boston Consulting Group report commissioned by Tony Benn.²⁹ The past performance of manufacturers was heavily criticised, they had been too preoccupied with 'short-term profitability' at the expense of long term competition.³⁰ The report outlined the weaknesses of the British plants that 'show all the signs of many years of chronic under-investment...the factories have effectively no experience of high volume, low cost, highly automated manufacturing and assembly methods.'³¹

According to Doug Hele the former Chief Designer at Triumph to get more production they employed a larger workforce 'rather than investing in more sophisticated machine tools. The money at the time should have been ploughed into tooling for the more modern motorcycles, realising as they did not, that it would take five years to develop a modern motorcycle.'³²

The Boston Group criticised the 'segment retreat strategies' of the industry 'in the long run...they are almost always disastrous.'³³ This has been challenged by Karel Williams et.al. for 'placing too much emphasis on the difference between British and Japanese market philosophies.' They argue that the strategy adopted by the industry to retreat and concentrate on 'superbikes' was logical because conditions in Britain 'enforced short-run objectives.'³⁴ The retreat to the 'superbike' market was probably the only option open to the industry although domestic demand was sluggish the North American market was expected to grow. Martin Fairclough contests

the view that the industry had a segment retreat strategy, the much larger small lightweight market had only been abandoned after an attempt to develop new products had failed and aggravated the problems.³⁵ The third sector as Table 1 shows, the 250cc to 500cc category, was rapidly shrinking and identified by Barbara Smith as one of the causes for the industry's decline.³⁶

Table 1: Motorcycles Registered in the United Kingdom

	1958	1972
Up to 250cc	977,000	874,000
250cc – 500cc	286,000	47,000
500cc and above	54,000	59,000

Source: Motor Cycle Association.³⁷

The British industry was much smaller in scale and less efficient than the Japanese. Les Huckield a local M.P. proudly referred to the motorcycles built at Meriden as not a 'mass produced machine but precision built by a labour force of skilled craftsmen.'³⁸ For Dennis Poore the future lay in 'an explosive technological effort to catch up with the Japanese' the problem was that resources to commence such a project were beyond the capacity of an ailing industry.³⁹ In the early 1970s output was 50,000 motorcycles or fifteen per man year. In comparison, the capital intensive methods of Honda, Yamaha and Suzuki each made between one and two million machines with output per man year varying between 100 to 200 motorcycles.⁴⁰ British workers used multi-purpose machines sixty per cent

of which were over twenty years old and some were quite 'vintage'.⁴¹ Once the Co-operative had started production assembly was still 'controlled by hand and not machine' but output increased from twenty one to twenty six motorcycles per man year.⁴² Organisational reforms included the end of demarcation between jobs, an egalitarian wages system and the sharing of knowledge. The outcome was a staggering fifty per cent increase in output despite the transfer of some of the more modern machinery to NVT.⁴³ Robert Oakshott has suggested that the productivity increases recorded could provide the solution to the productivity gap attributed to poor labour relations by Pratten in his international comparative study.⁴⁴

The Secretary of State for Industry in 1975, Eric Varley, told the House of Commons that the major problem with the motorcycle industry had been 'the great failure of British management in the industry over the years.'⁴⁵ The failure of management, one of the principle criticisms of the Boston Report is echoed by Williams et.al. who argue that firms did not have the 'managerial resources to take on Japanese mass producers' that 'controls [were] primitive or non existent' and the motorcycles were not 'cost-engineered at design stage'.⁴⁶ Martin Fairclough endorses this argument, the small team at Triumph were 'recruited for motorcycle expertise and enthusiasm...rather than general management skills.'⁴⁷ The NVT Chairman claimed that one of the reasons Meriden was to close was because of poor management who had not the competence to organise the flow of supplies to the factory.⁴⁸

Robert Oakeshott has suggested that workers resented having to pay for poor management with their jobs and consequently were keen to support self-management. The legacy continued after the birth of the co-operative, conventional management was considered unnecessary.⁴⁹ At Meriden opinion about workers management competence was ignored and all positions were elected from the shop floor except for a handful of specialist professional managers.⁵⁰ However, by 1977, technical and financial factors forced a reappraisal of management positions and Meriden became the subject of voluntary expertise until Geoffrey Robinson became Chief Executive in 1978.⁵¹

One of the factors identified by Williams et.al. as being responsible for Britain's poor performance at manufacturing was employers control over the labour process and their difficulties in dealing with a heavily unionised workforce.⁵² At Meriden, the workforce was fully unionised but unlike plants in the multi-union motor industry eighty per cent of the workers were in one trade union.⁵³ Labour relations were relatively harmonious more akin to the atmosphere of a 'family' firm and most issues were resolved over a 'packet of Woodbines'.⁵⁴ Management control over the shopfloor was delegated to experienced craft workers who were invariably the fathers of sons or daughters working at the plant.⁵⁵ Labour market conditions in the Coventry area by the 1970s were such that the firm increasingly had to rely upon external recruitment rather than family connection, the 'new comers were ejected unionists from the car plants'.⁵⁶ In 1972, Meriden workers were the highest earning engineering workers in Britain. Something, which Bert

Hopwood attributed to a strong union with 'expert' negotiators over piece rate bargaining, high product demand and a management team concerned with 'production at any cost.'⁵⁷ The delegation of management control, once of mutual benefit, now resulted in over-capacity and over-manning as sales declined.⁵⁸

The final two years of BSA control over Meriden were categorised by widespread strikes as management attempted to retrieve control thus adding to the poor performance of the company and an eleven per cent drop in production for the 1972-73 year.⁵⁹ Hopwood had an affinity for the Meriden workforce and was disappointed in their response to revitalise the company and its products in 1971.⁶⁰ Despite being let down he believed that the workers at Meriden would support the plans of management once explained sympathetically.⁶¹

These two years were crucial for the firm's survival. Despite the research indicating their affinity with Triumph it may well be true as Alan Fox has argued that workers do not see themselves tied to the success or failure of the enterprise in which they work.⁶² This is contradicted by a *Times* report that substantiates the view that Triumph workers were not only proud of their motorcycles but had a long-term stake in the company. Workers in response to a question 'how long have you been here?' told the journalist 'I'm a newcomer, I've only been here eight, nine, ten years. Most told me over twenty, thirty or even forty.'⁶³ Although Triumph was part of the industrial scene in Coventry the low labour turnover was in marked contrast

to the high turnover experienced in the nearby car plants.⁶⁴ One of the key features of Meriden was the preponderance of family groups working within the plant which had been fostered to meet the demands of the tight Coventry labour market during the 1950s and 1960s.⁶⁵

The motorcycle industry and the Meriden story are inextricably bound up with government and its transition from a hands off approach to an interventionist stance and then its reverse.⁶⁶ Until the 1970s, despite being a major dollar export earner, it was never considered an important component of Britain's manufacturing structure.⁶⁷ Only when BSA was on the verge of collapse in 1973 did the Conservative government intervene.⁶⁸ In a controversial move the government brokered the NVT deal with the injection of £4.8 million for shares in the new company and MBH purchased all the non-motorcycle assets of BSA for £3.5 million.⁶⁹ One critic, Jock Bruce-Gardyne argued that this was purely a two year holding operation rather than a long term survival plan for the industry.⁷⁰

The Department of Industry, after the 1972 Industry Act, became more interventionist and the policy continued after Labour came to office in 1974 until 1979. However, government policy was applied inconsistently. Under the direction of Tony Benn there was a twin track approach to the industry. The first was emphasised by Benn in terms of his overall objectives for greater public ownership including the motorcycle industry.⁷¹ The second was greater industrial democracy to which Benn was heavily committed and the workers at Meriden were the vanguard for this policy.⁷² The

phenomenon of the anti redundancy co-operative was not unique to Britain but the sponsorship by the state was, and this is attributed to the determination of Tony Benn.⁷³ When Eric Varley replaced Benn the policy reverted to the pre-1974 corporatist model of intervention. Yet the Treasury had consistently throughout applied a non-interventionist stance in the application of valuable ECGD export credits and was the instigator of the final collapse of NVT.⁷⁴

Table 2: Motorcycle Imports and Exports from the United Kingdom over 100cc engine capacity

	Exports	Imports
1972	43,877	49,984
1973	41,091	59,585

Source: Motor Cycle Association.⁷⁵

The alternative to retaining a motorcycle industry in the form of the Meriden 'experiment' would have been for the government to have fully funded NVT. The evidence would appear to suggest that Poore, despite his public statements supporting a revitalised industry, had no definitive plan to turnaround the business.⁷⁶ NVT argued that a two factory industry was the only alternative and chose Meriden as the one to close despite plans for increased output.⁷⁷ Before the collapse of BSA, a firm of consultants had recommended the closure of Small Heath a Victorian inner city factory

considered 'out of date'.⁷⁸ Dennis Poore denied that he was aware of the report and argued that expanded production at Small Heath was possible because it had additional space.⁷⁹ In contrast, the Meriden plant was the only purpose built motorcycle factory in Britain and was already working at undercapacity.⁸⁰ The shop stewards at Meriden believed that Poore had interests in property development and that it was designated for closure because it was valuable housing development land.⁸¹

The motorcycle industry 'was beyond saving by 1974' but the Meriden co-operative was 'doomed from the date on which...it was so unthinkingly launched.'⁸² This essay has reviewed some of the general literature surrounding the poor British manufacturing performance and concurs that only a vast effort beyond the political will or circumstances of the time could have rescued the motorcycle industry. For the Meriden Co-operative the upheaval within the industry could not have happened at a worse time. Sales were totally dependent upon the North American market and due to the oil crisis of 1973, the market for motorcycles suddenly soared and manufacturers in particular increased production. By the middle of 1974 it became apparent that this was a 'blip', the US market had not increased but declined. Japanese manufacturers like Honda with a massive stockpile of machines, equivalent to one year's production, reacted by slashing prices and increased their share of the US market.⁸³

The Meriden Co-operative continued trading until 1983. However, by 1979 the difficulties were of such magnitude that the Managing Director, Geoffrey

Robinson MP had to advise the trade unions that redundancies were inevitable. Unlike the rosy picture painted by supporters of the Co-operative, Robinson was blunt in his description of the financial crisis that had been inherent from the beginning.⁸⁴ The first was the company gearing that made it 'wholly unrealistic from the start...to service the government loan.' The second was the control over marketing and sales but held by NVT until May 1977 when the Co-operative was able to buy the rights. Finally, attempts to recover the North American market were dealt a blow due to the twenty one per cent revaluation of sterling. 'Ever since it started up in business in March 1975 [Meriden had] been producing more bikes than it sold...furthermore the motorcycles had been sold at a loss.'⁸⁵

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NOTES

¹ [BSA Group News](#) (Birmingham, 1961). In 1861 the Birmingham Small Arms Company Limited was formed, two years later the factory at Small Heath was completed. In 1866 it acquired a munitions factory and in 1880 it went into bicycle manufacture. In 1906 it took over the National Arms and Ammunition Company's premises in Sparkbrook and acquired the Eadie Manufacturing Co. Ltd. of Redditch in 1907. In 1910, BSA acquired the Daimler Co. Ltd. of Coventry. After 1918 its main activities were put under separate management. BSA Cycles Ltd., BSA Guns Ltd., BSA Tools Ltd. and Daimler at Coventry. During the Second World War, there were further major acquisitions, New Hudson Ltd., Sunbeam Ltd. and Ariel Motors Ltd. In 1953 BSA Motor Cycles Ltd. was created from its motorcycle section, Ariel Motors and the purchase of Triumph Engineering Co. Ltd. in 1951. Further purchases in the mid-1950s were Carbodies of Coventry and the Idoson Motor Cylinder Co. Further companies, such as BSA Broach Co. Ltd. and BSA Small Tools Ltd. were also created from existing BSA companies. Daimler was sold to Jaguar Cars Ltd. In 1960. In 1973, BSA was taken over by Manganese Bronze Holdings Ltd., which owned Norton Villiers. Norton Villiers and BSA were merged to form NVT Ltd.

For details of the merger and the BSA subsidiaries at the time of the merger with NVT see; Hopwood, Bert., [Whatever Happened to the British Motorcycle Industry?](#), Yeovil: Haynes (1981), p.295.

² There is much controversy about the question of government backing for NVT and a two-factory survival scheme involving the closure of Meriden. The summary of events prepared by Alistair G.Cave indicates that the decision was 'anticipated in Plan X circulated to the Department of Trade and Industry and Barclays Bank' before the NVT Board decision. See, Birmingham Small Arms Company Limited, (MSS 19B/TB7), Modern Records Centre, University of Warwick. [Chronological Summary 16 July 1973 - 1 November 1973](#), 'Negotiations on Industrial dispute at Meriden and Mr Huckfield's proposed workers' co-operative'. Jock Bruce-Gardyne, suggests that Dennis Poore always intended to close Meriden and even hints that the other two plants would also close in a move to a single 'green field' site, see Jock Bruce-Gardyne, [Meriden: odyssey of a lame duck: a study of government intervention in the motor-cycle industry - the way the money goes](#), London: Centre for Policy Studies, (1978), p.25. For a summary account see [Financial Times](#), 6 October 1975. Leader article by Peter Cartwright.

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⁵ The government offered assistance of £750,000 in grant and a loan of £4.2 million over fifteen years for purchases approved by the DoI most of which went to NVT for the Meriden site and equipment. See, Birmingham Small Arms Company Limited, (MSS 19B/TB6), Modern Records Centre, University of Warwick. Department of Industry press statement dated 26 July 1974. And, Fleet, Ken., 'The New Co-operatives: Triumph Meriden,' in Ken Coates (ed.), [The New Worker Co-operatives](#), Nottingham: Spokesman, (1976), p.98.

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- ¹² Channon, Derek French, The strategy and structure of British enterprise, London: Macmillan, (1973), p.15.
- ¹³ Lester, Tom, 'How the British Bikes Crashed', Management Today, May (1976), p.45.
- ¹⁴ Chandler, Alfred D., The visible hand: the managerial revolution in American business, London: Belknap Press, (1977). and Strategy and structure: chapters in the history of the industrial enterprise, London: M.I.T., (1962).
- ¹⁵ Hopwood, Bert., Whatever Happened to the British Motorcycle Industry?, Yeovil: Haynes (1981), p.227.
- ¹⁶ Hopwood, Bert., Whatever Happened to the British Motorcycle Industry?, Yeovil: Haynes (1981), Ch.9. Hopwood produces a catalogue of 'disasters' arising from the implementation of the proposals of McKinsey. In 1961, Maurice Edelman a Coventry MP noted in a House of Commons speech that the BSA and Triumph 'brands' each produced a completely separate and competing model line. Quoted in Koerner, Steve, The British motor cycle industry, 1935-1975, Ph.D., Warwick, 47-696, (1995), p.302.
- ¹⁷ Edward Turner, Report on Japan for the BSA Board, 1960. The foundry did very little work for the motorcycle division and the machine tools division was entirely separate and later sold to Alfred Herbert. The report is reproduced by Ivor Davies the former Triumph publicity manager in; Davies, Ivor, Triumph: The Complete Story, Marlborough: Crowood, (1991), pp.129-131 and by Fairclough in; Fairclough, M.E., The political economy of producer co-operatives: a study of Triumph Motorcycles (Meriden) Ltd. and Britain's industrial decline, Ph.D., Bristol, 37-6953, (1987), pp.127-133.
- ¹⁸ Hopwood, Bert, Whatever Happened to the British Motorcycle Industry?, Yeovil: Haynes (1981), pp.248-250. The production model for the 1971 season engineered by the 'Group' design centre could only be ridden by 'long-legged giants' and had to be withdrawn for modifications. After production began it was discovered that a rider would need to be over 6 feet tall with an inside leg measurement of 32 inches to touch the ground with one foot.
- See also Davies, Ivor., Triumph: The Complete Story, Marlborough: Crowood, (1991), p.144. The 'Ariel 3' three wheel moped was another disaster for the company, the design of which according to Hopwood (p.239) made an 'adult look a little strange' and failed to meet international legal requirements.

- ¹⁹ For a general description see; Allen, G.C., [The British disease: a short essay on the nature and causes of the nation's lagging wealth](#), London: Institute of Economic Affairs, (1976); Dintenfass, Michael, [The decline of Industrial Britain, 1870-1980](#), London: Routledge, (1992).
For a more detailed study of 'newer' sectors of the economy including motor cars and motorcycles see; Elbaum, Bernard and Lazonick, William., [The decline of the British economy: an institutional perspective](#), Oxford: Clarendon, (1986) and for a multi-causal argument see; Williams, Karel, Williams, John and Thomas, Dennis, [Why are the British bad at manufacturing?](#) London: Routledge, (1983).
- ²⁰ The author believes that the only published academic studies for the post 1945 period are; Smith. Barbara M. D., [The history of the British motorcycle industry 1945-1975](#), Birmingham: Centre for Urban and Regional Studies, University of Birmingham, (1981), Rogers, N. M., [The British motorcycle industry 1945-75: programme notes](#), Birmingham: Centre for Urban and Regional Studies, University of Birmingham, (1979) and a journal article comparing the Italian and British industries by M.Cenzatti, 'Restructuring in the motorcycle industry in Great Britain and Italy until 1980,' [Environment and Planning](#), D, Vol.8, No.3, (1990), pp.339-355. For details of the literature on the motor vehicle industry see; Church, Roy., [The Rise and Decline of the British Motor Industry](#), Basingstoke: Macmillan, (1994).
- ²¹ Dintenfass, Michael, [The decline of Industrial Britain, 1870-1980](#), London: Routledge, (1992), pp.23-24.
Hopwood, Bert., [Whatever Happened to the British Motorcycle Industry?](#), Yeovil: Haynes (1981), p.90. The return on capital at BSA peaked in 1953-44 at 29.9 percent.
- ²² See Wilks, Stephen., [Industrial Policy and the Motor Industry](#), Manchester University Press, (1984), Ch. 1-5.
- ²³ Motor Cycle Association, (MSS 204/3/1/116), Modern Records Centre, University of Warwick. Copy of brief prepared for Lionel Jofeh, Managing Director BSA Motorcycle Division for meeting with Alan Williams the Parliamentary Secretary to the Minister of Technology, Tony Benn held on 11 December 1969.
The BSA Board had a history of complaining on this issue particularly relating to consumer credit controls. See also; Rogers, N. M., [The British motorcycle industry 1945-75: programme notes](#), Birmingham: Centre for Urban and Regional Studies, University of Birmingham, (1979), p.18.
- ²⁴ Bruce-Gardyne, Jock, [Meriden: odyssey of a lame duck: a study of government intervention in the motor-cycle industry - the way the money goes](#), London: Centre for Policy Studies, (1978). NVT did produce their own 'history' which is referred to by Steve Koerner and referred to in the files but no copy existed. (No author), [Meriden - Historical Summary, 1972-1974](#), London: Norton Villiers Triumph (1974). The [Chronological Summary 16 July 1973 - 1 November 1973](#), 'Negotiations on Industrial dispute at Meriden and Mr Huckfield's proposed workers' co-operative' amongst the papers of Alistair Cave may be part of this document. Birmingham Small Arms Company Limited, (MSS 19B/TB7), Modern Records Centre, University of Warwick.
- ²⁵ Steve Koerner, [The British motor cycle industry, 1935-1975](#), Ph.D., Warwick, 47-696, (1995).p.9.
- ²⁶ Steve Koerner, [The British motor cycle industry, 1935-1975](#), Ph.D., Warwick, 47-696, (1995).p.366. The three key phases according to Koerner were first the reaction to the collapse of demand in the depression that caused the British industry to neglect low powered basic machines in favour of the enthusiasts' demand for high-powered motorcycles. The second phase occurred after 1945 when international competitors were excluded and the British manufacturers successfully captured a large part of the domestic North American market associated with the motorcycle as a 'leisure' product and the cultural popularity engendered by films. Triumph had particular success in

movies such as *The Wild One* in 1954 featuring Marlon Brando riding a Triumph Thunderbird and in 1961 with Steve McQueen riding a Triumph TR6 in *The Great Escape*. For more details of the success of US marketing see Davies, Ivor. [Triumph: The Complete Story](#), Marlborough: Crowood, (1991). In the right wing critique Jock Bruce-Gardyne, [Meriden: odyssey of a lame duck](#), London: Centre for Policy Studies, (1978) mistakes Triumph for Harley-Davidson motorcycles in the 1969 movie *Easy Rider*. The industry relling in its success failed to modernise or reinvest in new products to meet growing domestic imports of lightweight motorcycles and mopeds. The third phase occurred in the face of Japanese competition in the 1960s when the industry retreated into the 'superbike' sector and BSA mounted an ill-prepared scheme to challenge the Japanese resulting in the near bankruptcy of the company and the final government sponsored NVT plan.

- ²⁷ Birmingham Small Arms Company Limited, (MSS 19A/4/47), Modern Records Centre, University of Warwick. Chairman's speech, 4 December 1969. Although BSA and Triumph continued to hold ninety per cent of the 750cc engine market the 500cc market share had fallen to fifty per cent. The response of BSA was again to retrench by closing the Redditch factory and sell its central heating subsidiary.
- ²⁸ [Times](#), 16 July 1975. Letter from Mr J.Hatch former BSA Director.
- ²⁹ Labour was returned to office at the General Election of February 1974. Tony Benn was appointed the Secretary of State for Industry and was replaced by Eric Varley in June 1975 in a controversial cabinet reshuffle.
- ³⁰ Boston Consulting Group, [Strategy Alternatives for the British Motorcycle Industry: A Report Prepared for the Secretary of State for Industry](#), London: HMSO, (1975), p.x.
- ³¹ Boston Consulting Group, [Strategy Alternatives for the British Motorcycle Industry: A Report Prepared for the Secretary of State for Industry](#), London: HMSO, (1975), p.57. Hopwood argues that from the mid-1950s it became apparent that profits were not being reinvested. See Hopwood, Bert., [Whatever Happened to the British Motorcycle Industry?](#), Yeovil: Haynes (1981), p.126.
- ³² [The Guardian](#), Letter from Doug Hele, 3 January 1975.
- ³³ Boston Consulting Group, [Strategy Alternatives for the British Motorcycle Industry: A Report Prepared for the Secretary of State for Industry](#), London: HMSO, (1975), p.44.
- ³⁴ Williams, Karel, Williams, John and Thomas, Dennis, [Why are the British bad at manufacturing?](#) London: Routledge, (1983), pp.27-28.
- ³⁵ M.E. Fairclough, [The political economy of producer co-operatives: a study of Triumph Motorcycles \(Meriden\) Ltd. and Britain's industrial decline](#), Ph.D., Bristol, 37-6953, (1987), p.192. For a description of the fiasco surrounding the production of the 'Ariel 3' see Note 18.
- ³⁶ Smith. Barbara M. D., [The history of the British motorcycle industry 1945-1975](#), Birmingham: Centre for Urban and Regional Studies, University of Birmingham, (1981), p.v.
- ³⁷ Motor Cycle Association, (MSS 204/3/127), Modern Records Centre, University of Warwick. Motorcycle Registrations, [Newslink](#), 1 December 1974, Issue: M12.
- ³⁸ Birmingham Small Arms Company Limited, (MSS 19B/TB6), Modern Records Centre, University of Warwick. Copy of letter from Les Huckfield MP to unknown NVT recipient dated 30 October 1973. Huckfield made a similar remark to the House of Commons. See [Official Reports of Parliamentary Debates \(Hansard\)](#), HC Deb. (1972-73), 863, 2 Nov. 1973, col.517. One Meriden worker is reported to have said, 'It's not the machines here it's the machinists' quoted in M.E. Fairclough, [The political economy of producer co-operatives: a study of Triumph Motorcycles \(Meriden\) Ltd. and Britain's industrial decline](#), Ph.D., Bristol, 37-6953, (1987), p.92.

- ³⁹ Birmingham Small Arms Company Limited, (MSS 19B/TB6), Modern Records Centre, University of Warwick. Copy of letter from Dennis Poore to Roy Hattersley MP dated 11 September 1974.
- ⁴⁰ Williams, Karel, Williams, John and Thomas, Dennis, [Why are the British bad at manufacturing?](#) London: Routledge, (1983), p.28.
- ⁴¹ Boston Consulting Group, [Strategy Alternatives for the British Motorcycle Industry: A Report Prepared for the Secretary of State for Industry](#), London: HMSO, (1975), p.37 and 211. At the three remaining motorcycle factories of Meriden, Small Heath and Wolverhampton in 1975, sixty percent of the machines were twenty years old or more and eighty per cent were fifteen years or more old. Martin Fairclough recalls an Alfred Herbert belt-driven machine tool still in use that had been welded together after being split in two when the original Triumph factory was destroyed by bombing in 1940. See M.E. Fairclough, [The political economy of producer co-operatives: a study of Triumph Motorcycles \(Meriden\) Ltd. and Britain's industrial decline](#), Ph.D., Bristol, 37-6953, (1987), p.110.
- ⁴² Oakeshott, Robert., [The Case for Workers' Co-ops](#), Basingstoke: Macmillan, 2nd Edition, (1990), pp.112-113.
- ⁴³ Birmingham Small Arms Company Limited, (MSS 19B/TB6), Modern Records Centre, University of Warwick. NVT Newsletter, February 1975 issued by H.M.Palin. One third of the machinery at Meriden was transferred to Small Heath in the sale agreement.
- ⁴⁴ Oakeshott, Robert., [The Case for Workers' Co-ops](#), Basingstoke: Macmillan, 2nd Edition, (1990), pp.10-11. The Pratten study estimated that labour relations accounted for the shortfall in manufacturing productivity by fifty per cent relative to Germany, thirty percent to France and twenty five per cent to Canada and USA. See; C.F.Pratten, [Labour Productivity Differentials within International Companies](#), Cambridge University Press, (1976), pp.61-62 and 83-105. The accuracy of the Pratten study is contested by Theo Nichols, [The British Worker Question](#), London, (1986), Ch.3. If this argument is true the productivity improvements at Meriden would have even greater significance. Bradley and Gelb dispute that productivity improvements can be attributed to a change of control, see Bradley, Keith and Gelb, Alan., [Worker Capitalism: The New Industrial Relations](#), London: Heinemann, (1983), p.51. The point will be discussed in detail in part two of this study.
- ⁴⁵ [Official Reports of Parliamentary Debates \(Hansard\)](#), HC Deb. (1975-76), 896, 31 July 1975, col.2063. Eric Varley used the Boston Consulting Report as the justification to refuse further state funding for NVT. Poor management is also the conclusion of Bert Hopwood, 'The motorcycle industry is a 'story of ... failure, indeed one of gross mismanagement for at no time in the last twenty years or so ... did [it] master the arts of assembling the right expertise and planning management strategy.' See Hopwood, Bert., [Whatever Happened to the British Motorcycle Industry?](#), Yeovil: Haynes (1981), p.302.
- ⁴⁶ Williams, Karel, Williams, John and Thomas, Dennis, [Why are the British bad at manufacturing?](#) London: Routledge, (1983), p.28.
- ⁴⁷ M.E. Fairclough, [The political economy of producer co-operatives: a study of Triumph Motorcycles \(Meriden\) Ltd. and Britain's industrial decline](#), Ph.D., Bristol, 37-6953, (1987), p.99.
- ⁴⁸ [Guardian](#), 15 September 1973.
- ⁴⁹ For Meriden see; Oakeshott, Robert., [The Case for Workers' Co-ops](#), Basingstoke: Macmillan, 2nd Edition, (1990), p.110.
- ⁵⁰ Clegg and Tomlinson for example argue that industrial management was far too complex for workers to share in. See; Clegg, H.A., [A New Approach to Industrial Democracy](#),

- Oxford: Blackwell, (1960), p.119 and Tomlinson, Jim, [The Unequal Struggle: British socialism and the capitalist enterprise](#), London: Methuen, (1982), p.48.
- ⁵¹ Bill Morgan the Assistant Managing Director of GEC and a 'volunteer' manager seconded by Sir Arnold Weinstock, suggested that management had succeeded in 'pulling a workshop into a fully fledged business.' Quoted in, Oakeshott, Robert., [The Case for Workers' Co-ops](#), Basingstoke: Macmillan, 2nd Edition, (1990), p.111. At KME a different attitude existed. The two leaders, Dick Jenkins and Jack Spriggs rejected offers of professional management which contributed to the collapse of the co-operative according to its historian Tony Eccles. See; Eccles, Tony., [Under New Management: the story of Britain's largest worker co-operative - its successes and failures](#), London: Pan, (1981), p.172.
- ⁵² Williams, Karel, Williams, John and Thomas, Dennis, [Why are the British bad at manufacturing?](#) London: Routledge, (1983), p.29.
- ⁵³ Transport and General Workers Union.
- ⁵⁴ Davies, Ivor., [Triumph: The Complete Story](#), Marlborough: Crowood, (1991), p.57.
- ⁵⁵ M.E. Fairclough, [The political economy of producer co-operatives: a study of Triumph Motorcycles \(Meriden\) Ltd. and Britain's industrial decline](#), Ph.D., Bristol, 37-6953, (1987), p.106.
- ⁵⁶ M.E. Fairclough, [The political economy of producer co-operatives: a study of Triumph Motorcycles \(Meriden\) Ltd. and Britain's industrial decline](#), Ph.D., Bristol, 37-6953, (1987), p.206.
- ⁵⁷ Hopwood, Bert., [Whatever Happened to the British Motorcycle Industry?](#), Yeovil: Haynes (1981), p.207.
- ⁵⁸ Lester, Tom, 'How the British Bikes Crashed', [Management Today](#), May (1976), p.45.
- ⁵⁹ Birmingham Small Arms Company Limited, (MSS 19B/TB1), Modern Records Centre, University of Warwick. Calculated by the author from the 1973 Profit forecasts. Planned production at Meriden 39,000 units compared to 34,822. Planned production at Small Heath 2,300 units.
[Financial Times](#), 6 October 1973. Meriden was working at under capacity, the plant could produce 50,000 units per year and the Norton factory at Wolverhampton 15,000.
- ⁶⁰ Hopwood, Bert., [Whatever Happened to the British Motorcycle Industry?](#), Yeovil: Haynes (1981), pp.257-258. In March 1972 over one-third of production was lost because of strike action. Hopwood was particularly disappointed that workers did not respond to the removal of most of the senior directors and the installation of Lord Shawcross as Chairman.
- ⁶¹ Hopwood, Bert., [Whatever Happened to the British Motorcycle Industry?](#), Yeovil: Haynes (1981), p.258. Hopwood believed that he was the person to do it and asked for permission from the company to address the Meriden workers. 'I knew all of the shop stewards very well' but this request was denied. An agreement was reached in March 1973 between BSA and unions to 300 redundancies to reduce overmanning (Hopwood, p.290) but minor industrial action continued.
- ⁶² Fox, Alan., 'Corporatism and Industrial Democracy: The social origins of present forms and methods in Britain and Germany,' in Social Science Research Council, [Industrial Democracy: International Views](#), SCRC: Warwick, (1978), p.20.
- ⁶³ [Times](#), 7 October 1973.
- ⁶⁴ Tolliday, Steven, 'High Tide and After: Coventry's Engineering Workers and shopfloor bargaining, 1945-80,' in Bill Lancaster and Tony Mason (eds.), [Life and Labour in a Twentieth Century City, Coventry](#), Coventry: Cryfield, (1986), p. 229. According to

Tolliday fifty per cent of the labour force at nearby Jaguar had less than five years service.

- ⁶⁵ M.E. Fairclough, [The political economy of producer co-operatives: a study of Triumph Motorcycles \(Meriden\) Ltd. and Britain's industrial decline](#), Ph.D., Bristol, 37-6953, (1987), pp.100-102. Peter Gough one of the Meriden leaders told Fairclough, that Triumph exercised control through the paternalist family network, they employed 'a basic skilled workforce backed up on the production side by sons, daughters, wives and so on in the factory.'
- ⁶⁶ The State and its relationship to the motorcycle industry is one factor considered by Williams et.al to be relevant for Britain in explaining poor performance. See Williams, Karel, Williams, John and Thomas, Dennis, [Why are the British bad at manufacturing?](#) London: Routledge, (1983), p.30.
- ⁶⁷ Motor Cycle Association, (MSS 204/3/1/93), Modern Records Centre, University of Warwick. [Minutes of Council meeting of 20 September 1960](#). The 1960 Trade Agreement with Japan opened the door to cheap motorcycle imports but government never considered the impact that it would have on the industry. In a meeting between industry representatives and the President of the Board of Trade, Reginald Maudling, he conceded that 'consultation with various industries had not taken place and it would perhaps have been better if it had.'
- ⁶⁸ The Conservative government of 1970-74 reversed its policy following the Rolls Royce collapse and its subsequent nationalisation.
- ⁶⁹ For the proposal by the Minister for Industrial Development, Christopher Chataway and the initial controversy surrounding it see [Official Reports of Parliamentary Debates \(Hansard\)](#), HC Deb. (1972-73), 853, 19 March 1973, col.33-41. Section 8 of the 1972 Industry Act restricted state investment to £5 million without prior Parliamentary approval. Criticism from the Conservative right can be found in Bruce-Gardyne, Jock, [Meriden: odyssey of a lame duck: a study of government intervention in the motor-cycle industry - the way the money goes](#), London: Centre for Policy Studies, (1978), pp.17-29.
- ⁷⁰ Bruce-Gardyne, Jock, [Meriden: odyssey of a lame duck: a study of government intervention in the motor-cycle industry - the way the money goes](#), London: Centre for Policy Studies, (1978), p.23.
- ⁷¹ Birmingham Small Arms Company Limited, (MSS 19B/TB6), Modern Records Centre, University of Warwick. Copy of letter from Tony Benn to Bob Wright, Secretary of the CSEU, dated 31 December 1974.
- ⁷² Benn, Tony., (Ruth Winstone ed.), [Against the tide. Diaries 1973-1976](#), London: Hutchinson, (1989), pp.118-119.
- ⁷³ The determination of Tony Benn to explore the co-operative option is discussed by Oakeshott, Robert., [The Case for Workers' Co-ops](#), Basingstoke: Macmillan, 2nd Edition, (1990), p.109. See also Benn, Tony., (Ruth Winstone ed.), [Against the tide. Diaries 1973-1976](#), London: Hutchinson, (1989), pp.118-119. The KME shop stewards were given a strong suggestion by Tony Benn that the route to saving jobs was to form a co-operative, see; Eccles, Tony., [Under New Management: the story of Britain's largest worker co-operative - its successes and failures](#), London: Pan, (1981), p.62 and p.95. In the USA the 'Phoenix' co-operatives were funded by workers' and local communities, see Mellor, Mary, et.al, [Worker co-operatives in theory and practice](#), Milton Keynes: Open University Press, (1988), pp.44-45 and Bradley, Keith and Gelb, Alan., [Worker Capitalism: The New Industrial Relations](#), London: Heinemann, (1983), p.46.
- ⁷⁴ At the moment the Meriden Co-operative opened in March 1975 the ECGD withdrew their support from NVT plunging the company into crisis. See; Lester, Tom, 'How the British Bikes Crashed', [Management Today](#), May (1976), pp.48-49.

- ⁷⁵ Motor Cycle Association, (MSS 204/3/127), Modern Records Centre, University of Warwick. Export Statistics and Information 197/74 and Motor Cycle Association, (MSS 204/3/128), Modern Records Centre, University of Warwick. Import Statistics and Information 95/74.
- ⁷⁶ Hopwood, Bert., Whatever Happened to the British Motorcycle Industry?, Yeovil: Haynes (1981), p.290. Hopwood's observations after a meeting between the two to discuss the future of the new company.
- ⁷⁷ Guardian, 15 September 1973. Dennis Poore told the *Guardian* that his plan for a two factory NVT was for a target production of 50,000 to 60,000 units rising to 120,000 by 1976. The Author, in 1973 the combined output of Small Heath and Wolverhampton was less than 20,000 units. It would have been considerably difficult for the two plants to reach the above targets. See; Financial Times, 6 October 1973 for production figures.
- ⁷⁸ Times, 16 July 1975. Letter from John Hatch. John Hatch was the former Lazarus, Merchant Bankers' appointed BSA Director. 'On the advice of consultants in 1971 it was decided to progressively close Small Heath and concentrate production at Meriden. I recall that the latest factory extension at Small Heath known as the "New Building" had been erected in 1913.' For corroboration see also; Hopwood, Bert., Whatever Happened to the British Motorcycle Industry?, Yeovil: Haynes (1981), p.252.
- ⁷⁹ Times, 17 July 1975. Letter from Dennis Poore, Chairman NVT. The Small Heath factory had more floor space but the building was multi-storey, which meant that production flow was interrupted by the capacity of the lifts as it moved from floor to floor. See; Sunday Times Magazine, 4 June 1978, p.23.
- ⁸⁰ The Author. This feature of the plant was illustrated to the author on a visit to Meriden in June 1975. The plant was not equipped for flow production. The assembly 'line' was divided into two parts because the building had insufficient length and half-completed machines had to be moved from the first to the second line for final assembly. Once assembly was completed the motorcycles then had to be physically taken across the busy Birmingham to Coventry road to the No.2 Works for testing and shipping. See also ; M.E. Fairclough, The political economy of producer co-operatives: a study of Triumph Motorcycles (Meriden) Ltd. and Britain's industrial decline, Ph.D., Bristol, 37-6953, (1987), pp.204-205, 214. At the highpoint of production, about 200 motorcycles per day would have to traverse the road on trolleys and to keep production up the 'works manager himself pushed bikes across the road.' Interview with a former Meriden worker. *ibid.* p.224.
- See the aforementioned Edward Turner, Report on Japan for the BSA Board, for a description of a Japanese motorcycle factory in 1960.
- ⁸¹ M.E. Fairclough, The political economy of producer co-operatives: a study of Triumph Motorcycles (Meriden) Ltd. and Britain's industrial decline, Ph.D., Bristol, 37-6953, (1987), p.265. The Meriden Shop Stewards at a meeting with Dennis Poore put this proposition to him. Poore admitted that the twenty two acre site at Meriden was a valuable asset, see; Guardian, 15 September 1973. Although he denied that he was an 'asset stripper' see; Sunday Times Magazine, 4 June 1978, p.23. When the Meriden plant closed in 1983 it was sold for 'Executive' Housing. The Small Heath plant in contrast was partially owned by Birmingham City Council. The Author.
- ⁸² Gerald Kaufman MP, Minister of State for Industry 1975-1979, correspondence to author 7 March 2002.
- ⁸³ Lester, Tom, 'How the British Bikes Crashed', Management Today, May (1976), p.49.
- ⁸⁴ Fleet, Ken., 'The Background to the New Movement: Triumph Meriden,' in Ken Coates (ed.), The New Worker Co-operatives, Nottingham: Spokesman, (1976), pp.88-108.

⁸⁵ Transport and General Workers' Union: Coventry District, (MSS 208F), Modern Records Centre, University of Warwick. Untitled note from Geoffrey Robinson dated 20 May 1979.

The revaluation of sterling against the US Dollar and Australian Dollar together with the thirty eight per cent revaluation against the Canadian Dollar 'killed' the export market for Meriden and 'destabilised the future survival of the Co-operative.' Lord Tomlinson of Walsall, Telephone interview with the author, 12 March 2002.