

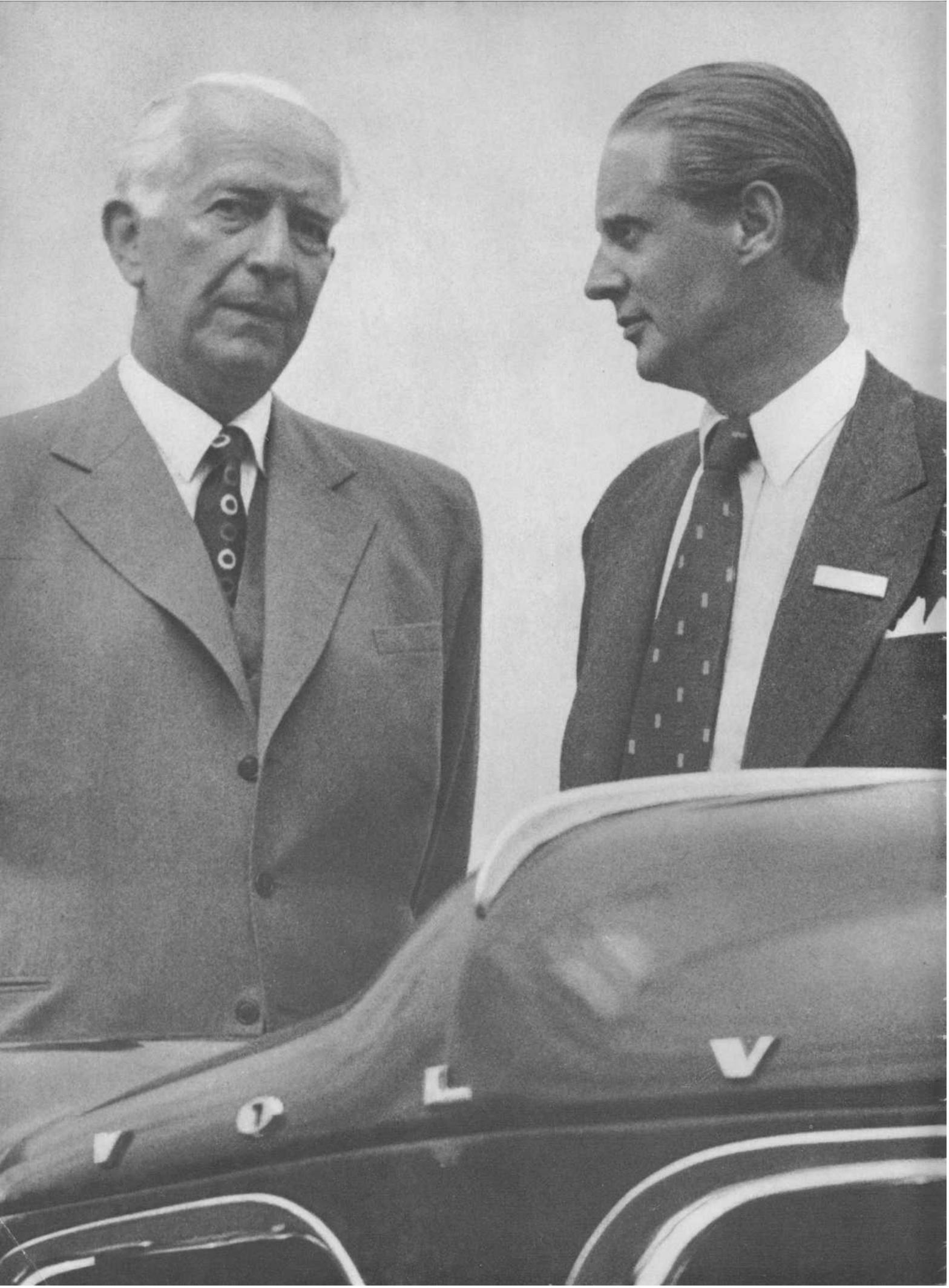


In Memory of
ASSAR GABRIELSSON
Founder of Volvo



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NO. 2 1962 THE 33RD YEAR OF ISSUE



The recent death of Assar Gabrielsson has meant that Sweden has lost a great industrial leader with outstanding initiative. This is no place to describe the life and work of Mr. Gabrielsson since this has already been done on various occasions. My only wish is to make an attempt to express the great loss suffered by the Volvo Group of Companies, the crowning achievement of his life work, and all his colleagues in these companies.

Under the leadership of Assar Gabrielsson, the Volvo Group of Companies, now one of the largest industrial undertakings in Sweden, developed from an idea Mr. Gabrielsson got when he was at SKF. In spite of difficulties encountered during the first years the company was in existence and in spite of enormous problems, particularly during the years of World War II, Assar Gabrielsson kept the company going with his untiring efforts and his unshakeable belief in the future of a Swedish automobile industry. He combined an outstanding talent for business and economics with a dauntless belief in the technical development of the products and expansion of the productive resources. On many occasions he made decisions which differed from the more careful opinions of his colleagues but development showed that in practically all cases he had greater foresight concerning the future expansion of road traffic. I know few men who can look back on such achievements as Assar Gabrielsson and Dr. Gustaf Larson, who was his partner and friend for many years. Strangely enough, Assar Gabrielsson considered that his creation of Volvo would show itself in

the future to be less significant than the fact that it was he who introduced the MTM system into Swedish industry. He was convinced that the introduction of this system would rationalize and simplify production, not only of motor vehicles but of any product and that this contribution was greater for Sweden and the competitive nature of its industry. The future will show whether he was right. In spite of his failing health, Assar Gabrielsson closely followed all that happened in the company until only a few days ago.

This year Volvo celebrates its 35th anniversary and Assar Gabrielsson resigned his post as Chairman of the Board at the General Meeting in May.

In spite of his poor health he took an active part in the company and was responsible for all the important decisions made during the past year concerning the development of the new Torslanda plant. On occasions when we, his colleagues, were doubtful about certain points concerning the responsibilities to be assumed by the company, Assar Gabrielsson was always full of confidence in the future and was always very enthusiastic concerning the greatest expansion in the history of Volvo. I know that it was his wish to see this new factory in production and that he hoped that his health would last that long. Unfortunately this was not to be the case but when the plant is finally taken into use, the thoughts and gratitude of all will go to the man who founded and created the possibilities for this great factory.

As a person and a leader, Assar Gabrielsson was demanding but, at the same time, understanding and helpful.

His co-operation with his colleagues was always enthusiastic and full of interest. In spite of the great authority he had within the company, problems were never settled on the basis of prestige but his colleagues were always given the chance to express their opinions. As a person he sub-consciously kept himself at some distance from his colleagues and comrades and there were very few within the company who came close to him in this respect. I am convinced that this depended on an innate sense of shyness whereby he did not like to show his sentiments to strangers and also possibly a desire to draw a dividing line between his work and his private life.

Under the leadership of Assar Gabrielsson and Gustaf Larson a certain atmosphere was created and a will to co-operate within the Volvo Group of Companies which was unique in Swedish industry. For those of us today on whom the responsibility rests to face the future with Volvo, we shall follow the lines he followed. It is up to us to see that the traditions and results of 35 years are carried onwards. We mourn the loss of our founder and leader but his memory will remain constantly with us as a symbol representing the strength of our company and its confidence in the future. In this spirit we know that we will be successful.

Assar Gabrielsson, we honour your memory and wish you eternal peace. We are honoured to carry the proud traditions of your Volvo and face the challenge of the future.





FRIENDSHIP AND LIFE-LONG CO-OPERATION



The news about the death of Assay Gabriellsson has been received and it was not unexpected. A fine man is gone; a man whose life's work made him widely known and admired. Without doubt, his deeds throughout the years have been in the minds of many-deeds to spur the imagination on to a higher goal.

Memories of Assay Gabriellsson crowd my mind at this time and I would like to recall some of these impressions.

Gabriellsson and I knew each other for 45 years as friends and colleagues-and towards the end, also as spectators of the progressive work which had been a source of joy to both of us.

My thoughts first turn to the month of May, in 1917, when we first worked together at the Swedish Ball Bearing Company, SKF, in Gothenburg. Gabriel was then a stately young man with a moustache. He was energetic and sales-minded and, among his other duties, it was his responsibility to handle the sales of the pulley belts and other transmission parts which was my job to design. He also met me on the tennis court with a liveliness which was still very much with him later on as a golfer.

Our ways then parted; his led him to Paris and mine to Stockholm. Later, he told me that he first became fascinated over the possibilities of the automotive industry during his Paris sojourn. He saw the tremendous demand for ball bearings needed by French cars, and he began to speculate over

the possibilities of producing cars in his native Sweden. As for me, ever since my years with the car industry in England, I had been attuned to the same idea and had begun to make provisional calculations.

Then came the Midsummer's Eve of the year 1924. I happened to dash into a cafeteria just before making a trip to the countryside and met Gabriel in the cafe. "Why, Gustaf", he cried, "I hear you've been busy with cars! We must meet and talk about it!". "Of course", I replied in a hurry, "but not at the moment. I'll see you later!".

Well, later it had to be-in fact, it was in August of the same summer. That Swedish delicacy of ours, crayfish, tempted me to visit the Sturehof Restaurant-and there sat Gabriel, alone, with a mountainous pile of boiled, red crayfish before him. I sat down opposite him and we tackled the crayfish with gusto and a complete disregard for shop talk. In after years, it became a pleasant custom of ours to eat crayfish together annually, and towards the end of the 1940's other senior members of Volvo also joined us in these pleasant festivities.

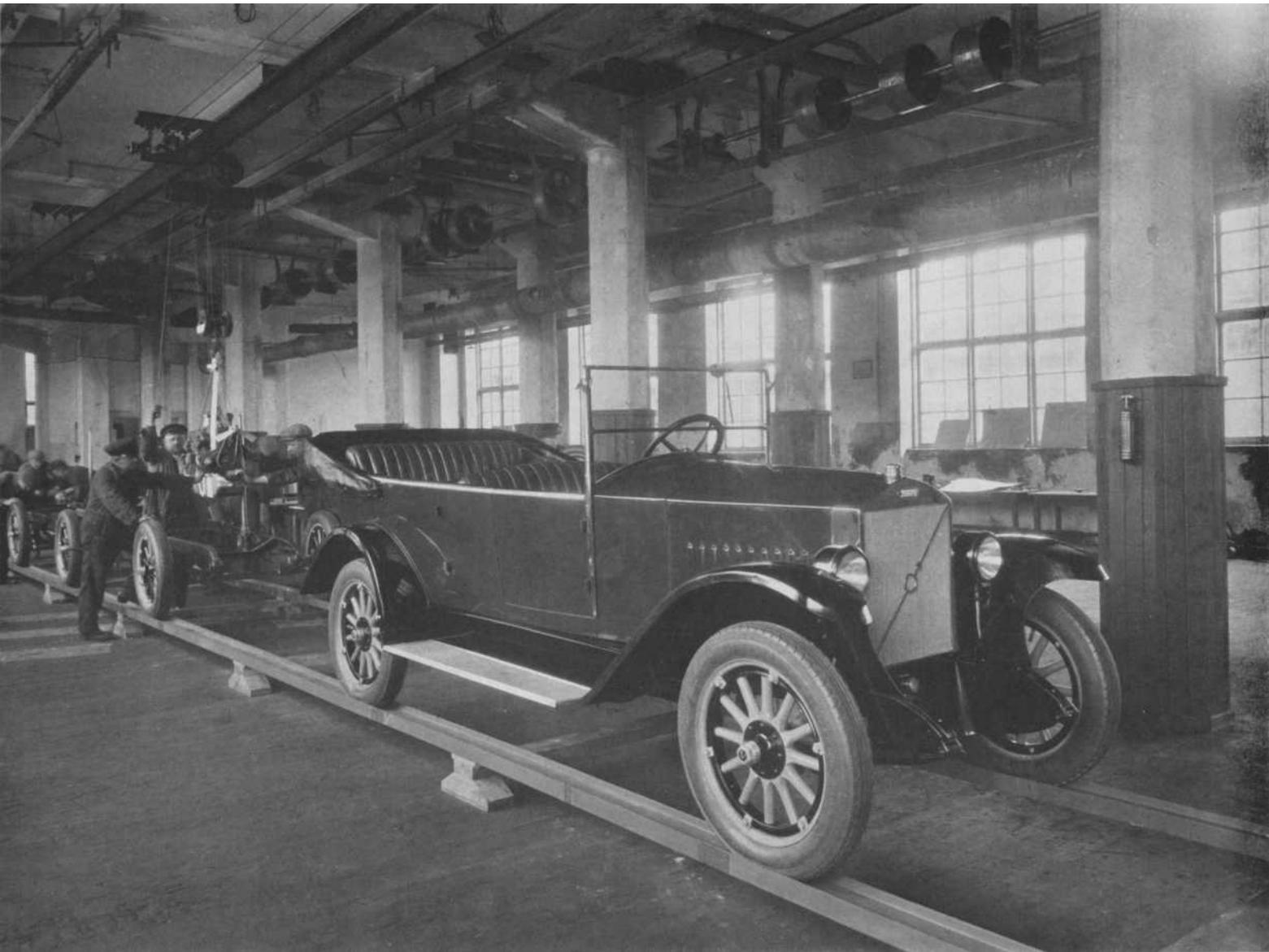
Plans were now pushed rapidly ahead. Cost analyses for a passenger car were ready by September 1924; blue-prints in July 1925; and the ten experimental cars built in Stockholm were out on the Swedish roads between June and August, 1926. Gabriel was personally obliged to make a great many financial sacrifices but a firm belief in the future

made all things possible. He also got SKF to believe in us. And so the car-producing company, AB Volvo, became a reality in the autumn of 1926. We established ourselves in the Gothenburg district of Hisingen.

Then came the arduous years of 1926 to 1929. Working and worrying in the hope that calculations and estimates would be met. But they were not met and so, for one reason or another, it was impossible to maintain the desired production pace. But the estimates about profit margins were correct; so much so that profits were made at an even faster rate than anticipated. Per-spicacity, optimism based upon cold reality, the ability to grasp the fleeting opportunity courageously, prudence when such a course was dictated, forthrightness and trustworthiness-these were the basic qualities that Gabriel was equipped with as a leader.

There were many who had their eyes fixed upon him, and he was "lent out" for other important work. But he always returned to the vocation which was really his. In my mind's eye, I like best to recall him sitting opposite me at that enormous desk in our office on the upper floor of that old storehouse of Volvo's. That was, in all truth, a room of parts: the draughtsmen's room, the accounting department, the cashier's desk and the sales office-all in one!

But even in those early days, a clear insight and a feeling of companionship were engendered there-really and truly. Having discussions over that desk



One of the first Volvo cars on the assembly line. The year is 1927.

and knowing fully well what we were all doing saved us a lot of valuable time.

It was a great and glorious day when we stood on our own feet, and quotations of Volvo shares were first listed at the Stockholm Stock Exchange. The road to expansion was open before us but clouded by uncertainty. The War that was to come was also to force us into detours and, at times, into wholly dif-

ferent directions but our objective was always clear-and we had the happiness of progressing a long way during the years of our service together. Work made heavy demands upon us but, in return, reimbursed us with a great feeling of satisfaction and an indissoluble bond of friendship.

As I write, I contemplate before me a portrait of Gabriel in his latter years as the leader of Volvo. A calm

expression of authority, an inner confidence and a glow of benevolence radiates from his features. A man who could look back upon life with the definite conviction that he had fully measured up to expectations. And he was a man who-with spiritual strength and self-command-then went onward to meet the fate of his affliction.

He will not be soon forgotten!

A handwritten signature in cursive script that reads "Gustaf Larsson". The signature is written in dark ink on a light-colored background.

A LOT HAS HAPPENED SINCE...

A lot has happened since Volvo made its modest debut in 1927. Nobody was better acquainted with the astoundingly fast expansion of Volvo than Assar Gabrielsson. When he retired from his position as managing director of the company in 1956, Mr. Gabrielsson wrote a detailed article consisting of an outstanding description of the first thirty years of Volvo's existence. This is an extract from the article.

It was not only a desire for adventure that led to the founding of Volvo. All the essential requirements for a profitable Swedish automobile manufacturing industry existed to a reasonable extent:

Sweden was a well-developed industrial country.

Swedish rates of pay were low.

Swedish steel had a world-wide reputation.

There was a demand for automobiles built for Swedish roads.

At that time, Swedish industry had advanced pretty far in many fields. Names such as SKF, ASEA, Bofors, Husgvarna and many others were wellknown both in Sweden and abroad. A complicated thing like an automobile requires many different manufacturing processes which, in their turn, must have a complete series of machines especially built for the purpose. These machines were available in Sweden to a large extent. Swedish engineering skill was of a highly developed character. The Swedish worker had centuries of tradition behind him. Sweden had earned the reputation for manufacturing high-quality products.

The second condition, low rates of pay, was equally significant. At that time in the United States, the workers were being paid about the same in dollars as Swedish workmen were getting in kronor. And the Americans were to be our first competitors since their products dominated the Swedish automobile market.

Swedish iron ore, Swedish pig-iron and Swedish steel had a large turnover on world markets and were sold in large quantities even in countries with their own iron ore resources and steel production. All over the world people knew that Swedish steel was better than the steel from other countries. Experts discussed the "body" of Swedish steel—a word used to describe the superiority shown by experience but impossible to explain.

Swedish steel was good but Swedish roads were bad, particularly when compared to American roads. Most of the cars sold in Sweden were built for straight concrete roads. They had soft springing and were built for high-speed driving. Neither of these qualities were particularly suited for the twisting, potholed, dirt roads of Sweden. What was needed was an automobile with harder suspension—an automobile that would hold the road. All Swedish people remember the "washboard" roads. Only a really sturdy car would escape being shaken to bits on such roads.

There were certainly enough essential requirements for a Swedish automobile industry. But there were problems to be solved too.

The most important of these was to build a Swedish automobile so economically that it would be able to compete with American automobiles. Mass production was, naturally, the solution. But since the market would be limited to Sweden, at least during the first few years, the rate of mass

production possible could hardly be on the same scale as in the United States. The question was whether the low Swedish rates of pay could compensate for the labour-saving automation and the lower tool costs per manufactured part which was possible in the larger series produced in the United States. We who founded Volvo thought that they would.

After we personally had accepted the economical risks and had built a test series of ten automobiles more or less by hand, we managed to raise enough capital for a preliminary series of 1,000 automobiles. Our programme was fairly ambitious: 1,000 automobiles the first year, 4,000 the second year and 8,000 the third year. Our plans did not go any further than this since we were convinced that having manufactured 8,000 automobiles, we would be running with a profit.

In reality, however, things did not quite work out the way we had planned. We got manufacture started but sales during the first year—that was 1927 did not exceed 300 automobiles, the second year 900, the third year 1,400 and so on.

Without in any way detracting from the sales problems during the first years, it is true to say that manufacturing problems were the greatest. These were divided into two groups:

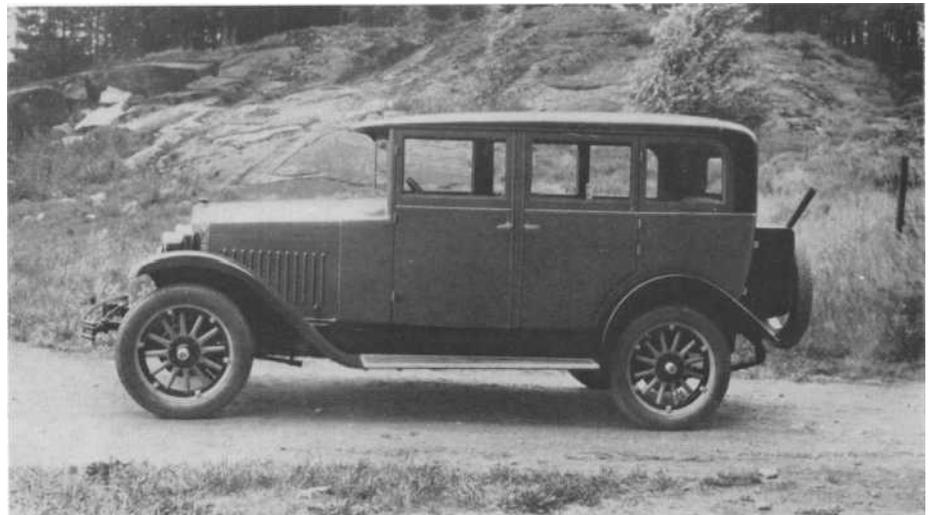
1. How to reduce the costs of the component parts manufactured by our sub-contractors so that our automobiles were really competitive.
2. How to plan, in Sweden, the production of special automobile units for which we had none of the specialized machines required and no experience and which in many cases demanded large-scale production to make the work pay.

Work on the second of these problems soon came to our help as far as solving the first problem was concerned. We were forced to a certain extent to obtain certain specific technical automobile units from abroad—I am thinking of electrical equipment, various instruments, carburetors etc. In this way we made contacts abroad which gradually developed and gave us possibilities to set up foreign competition against our Swedish sub-contractors.

A significant phase in our development was when we persuaded our Swedish sub-contractors to send technicians to foreign countries, primarily the United States, where they could learn the most modern manufacturing technique and use it in Sweden.



This photo here shows the actual prototype of the Volvo car. It carried the specification ö 4 (meaning in Swedish an "Open, 4-cyl. car"). The man at the wheel is John Andersson, who road-tested the car between Stockholm and Gothenburg. He found that everything functioned well, apparently, according to comments made upon arrival at destination. Andersson subsequently became the foreman at the Volvo factory, responsible for road tests and final checking.



Expansion - and the Swedish climate - brought about a saloon car: a model from 1928.

The struggle to reduce production costs of the parts made by our sub-contractors took many forms. In many cases, the risks involved were carefully weighed up against the advantages. I shall mention an example. In 1933 we were ready with the design of an overhead valve engine for use in heavy trucks. The crankshaft in this engine was world news in automotive construction as it had integral counterweights, i.e. the complete crankshaft was forged in one unit while the motor industry, even in the United States, had used separate counterweights which were attached to the cranks. We contacted several American crankshaft

manufacturers and our own crankshaft sub-contractor, Bofors. The Americans were not able to undertake manufacture of a crankshaft that was so complicated. The price stated by Bofors was very high if it was to be based on the quantity of one thousand engines needed for the following year. We were forced to take the risk and order 10,000 crankshafts with delivery over a certain period of time on the assumption that this engine would be manufactured for some year and even if the engine design was to be modernized in any other respects, the crankshaft must remain unchanged. At this point I should like to add that this engine

remained practically unchanged with exactly the same crankshaft for such a long time that it was in production for some years after World War II.

We started in a period of trade depression and found ourselves in the rather strange situation that while other industries and tradesmen waited impatiently for a period of prosperity, we were worried about the period of prosperity. Among those who lacked faith when we started Volvo, there were many who thought that it would be quite possible to buy cheaply from Swedish sub-contractors as long as there was a trade depression and the various industries had little to do but when prosperity returned, they would no longer have any interest in Volvo and the small margin of profit derived from work for Volvo.

Things did not work out that way at all. When prosperity gradually returned, the demand for our products increased. We could plan larger production series which meant lower production costs for the manufacturers and thus prevent any price increase in excess of the average increase for all the components.

Many people who showed friendly interest in Volvo during the first few years seemed to have the idea that the various large sub-contractors should be share-holders in the company. In other words, Volvo would be a collective concern of various Swedish industrial interests who saw in Volvo an addition to, and an equalizing factor in their own production. I am glad now that I did not accept that suggestion. It would have eliminated competition, the possibility for various manufacturers in the same branch to compete with each other-and foreign competitors-for the most favourable tender and it would have made Volvo the pawn in a game of interests which did not always concern Volvo. My action in this case was a practical application of the principle of national economy which I learned during my Commercial College days from Prof. Heckscher. This principle was that co-operative consumption could be a very good thing but co-operative production was completely hopeless.

As the years went by and our vehicles got a good reputation, it became easier to get hold of dealers in Sweden. Gradually the large and influential dealers switched to Volvo but it is also a pleasure to note that many who had started without knowing much about automobiles at all are still with us.

In 1939 we had developed so much that our manufacturing programme consisted of 9,000 units of which 5,000 were trucks and buses and 4,000 automobiles. At that time about 35 % of the trucks and buses we manufactured were exported but only a negligible number of automobiles. It was still mainly the possibility of manufacturing in Sweden that limited our turn-over since during the pre-war years we only had sporadic difficulties concerning the sale of certain models. About 15 % of the material used in our vehicles was foreign, this figure varying slightly from model to model.

Our capital had increased to 18.2 million kronor.

I shall never forget the success of our small automobile, the PV 444, both in the big exhibition we arranged in Stockholm in September 1944 and later as people in general and experts in particular had an opportunity to see this automobile and-even more important-to drive it.

I cannot deny that luck played a certain part in the design and construction of this automobile but it is not altogether surprising that this youthful team of engineers should have luck on their side when they worked as they did.

Several new constructional principles were incorporated in the design of this car: short-stroke engine, integral construction body, independent suspension, self-adjusting brakes, "direct steering" decreased ratio in the steering box, advanced streamline design and so on.

Both our own opinion and the opinions of others made us exceptionally optimistic but we never believed that by the time 1956 arrived we should have built a total of 125,000 of this model alone which had certainly been modified and modernized in many ways but was still basically the same as in 1944. The demand for this car today is such that we hope to manufacture at least another 125,000. We never dreamed that we should present this model in the United States in 1956 where, unless all the signs are completely wrong, it is a success.

During my life as a businessman, I have been active in many different fields: eggs, ball bearings, matches and automobiles, to mention the most important. The automobile business has been the most difficult (with the possible exception of the egg business-but I was young then and inexperienced).

Work with automobiles demands, to a greater extent than most other

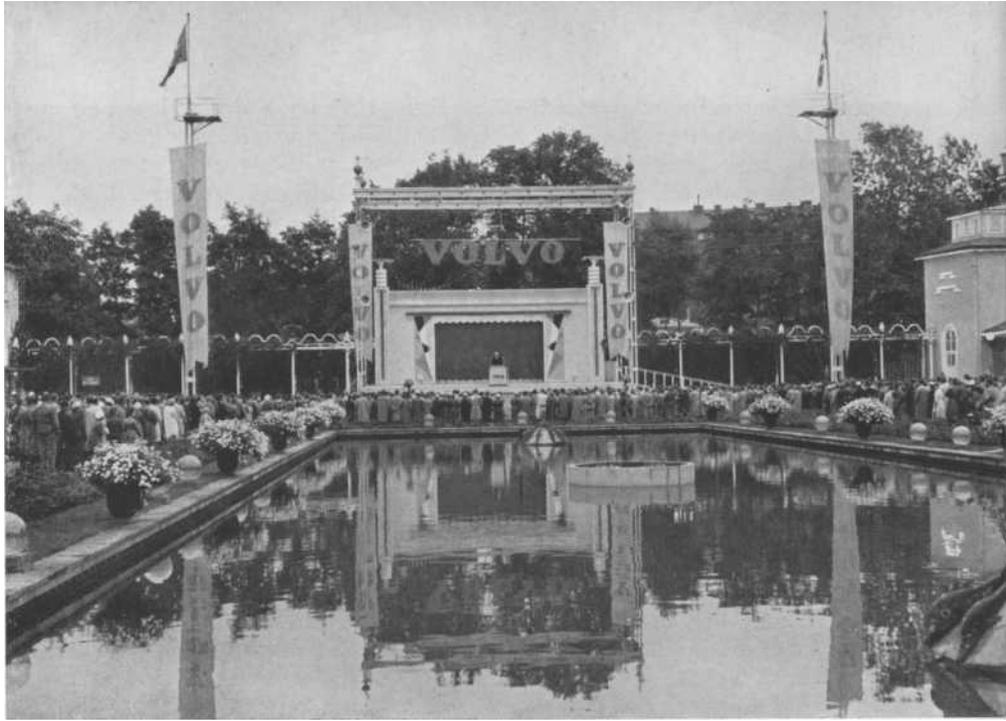
branches, a continual modernization, the maintenance of a never-ending progress in this field, a process of continually keeping abreast where manufacturing methods and styling are concerned. In spite of this, or perhaps just because of it, the work is intensely stimulating. When we started and reckoned out that we should manufacture 8,000 vehicles the third year to ensure a profit-making organization, we showed ourselves to be too naive as far as the rate of development was concerned but unnecessarily pessimistic concerning the volume required in order to show a profit. In spite of this, for my own part, I have always considered through the years that the really important thing was to strive



But there was a certain sparkle and elegance about the PV 651, the first six-cylinder car.

for increased productive volume while increased profits, or rather immediate profits, are of secondary importance. It seemed to me that through increased volume, the profit side would gradually be looked after. That is why when various occasions have risen causing conflict between a desire for profit and chances for increased production volume, my decision has usually been to the advantage of production volume. The more vehicles we had on the roads the easier they were to sell or, as one of our overseas agents expressed it: One customer won is ten customers won, one customer lost is ten lost. One absolutely clear subsidiary speculation in this argument is spare parts sales which were reckoned to follow in the track of vehicle sales and which, gradually, would become the permanent part of the business transacted which would

Volvo's 30th Jubilee, in the year 1956, took the form of a veritable "gathering of the clans!" for Volvo's employees. At Gothenburg's beautiful amusement park, Liseberg, the many thousands of Volvo workers listen to an impressive speech (among other items on the programme) given by their retiring leader, Assar Gabrielsson.

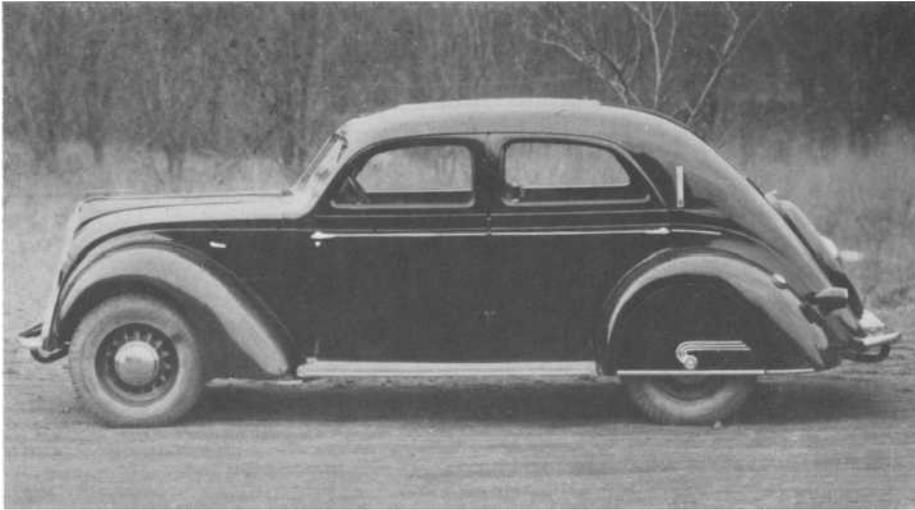




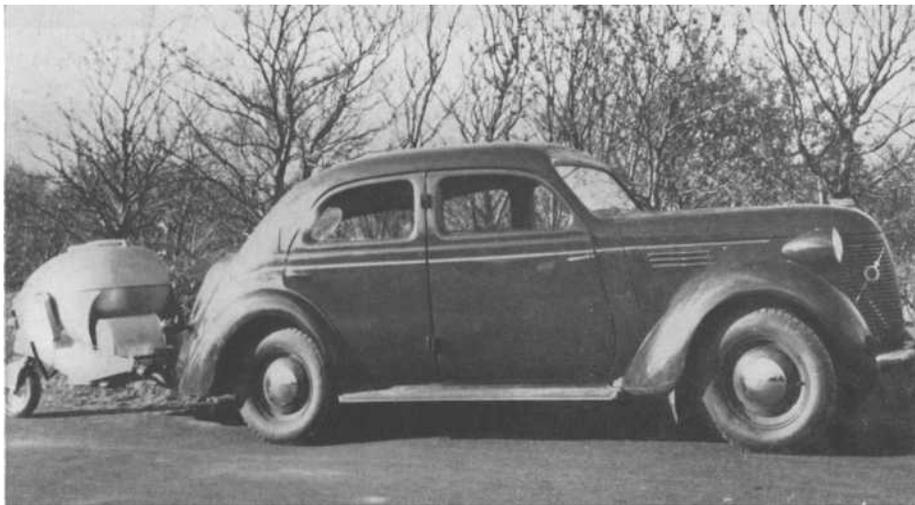
Three good friends! It looks as if Erik Magnus (left) had taken over the role of demonstrator for the Swedish prince and Volvo's managing director. This photo is from the Stockholm Exhibition of 1944.



H.M. the King of Sweden paid a visit to Volvo in 1958 and he took a lively interest in the different manufacturing steps. Gabriellson explains a detail here, assisted by riveter Arne Andersson. On the photo are Per Nyström (Governor of Gothenburg and Bohus Province), Gustaf Larson (one of the founders of AB Volvo) and Svante Simonsson (vice president of AB Volvo).



The PV 36, the first streamlined car made in Sweden. It was named the "Carrioca"



Producer gas! A whiff of the grim war years is reminiscent in that expression. Volvo was the first to be in production with that substitute, but necessary, generating unit. And what was more natural but that the first of these generators should be mounted on the Chief's own car!



The PV 444, model A, at the Stockholm Exhibition. Due to a shortage of steel plate, this car was not put into production until some years later.

be maintained comparatively unchanged even in a trade depression. To use a particular similarity one can say that the automobile manufacturer and the dealer in the spare parts shop have a small possibility to obtain tax-free profit adjustment. They can sell automobiles for the lowest possible profit in order to attain maximum production volume and make the profit instead later in the sales of spare parts.

Another side of the picture, the importance of which I only realized gradually, was the service side. As a matter of fact in the motor vehicle branch in general there has been a slight variation of definition: Earlier it was vehicles that were sold, today it is transport units. This is true, naturally, primarily from the point of view of the vehicle manufacture but also, as far as trucks and buses are concerned, from that of the customer.

For me, this variation became reality during the war years. Foreign makes had a particularly hard time during these years to supply the necessary spare parts for their models in Sweden while Volvo owners could run their vehicles as usual without having to wait a long time for spares.

This concerns automobiles perhaps to a greater degree than anything else.

For this reason, during the war years greater stress was placed in Volvo's efforts to extend its service so that the performance of the vehicles during their whole lifetime would satisfy the customers. In the first place this meant that our dealers were persuaded to build practical, modern workshops with a capacity large enough to ensure that the customers would never have to wait to have their vehicles serviced.

A French industrialist put it this way: "The price of a commodity is a one-time worry as is also delay in delivery but the quality of the commodity in question concerns me all the time".

We, ourselves, started to pay more attention to the production of service literature, service manuals, instruction books and so on as well as the production of special tools to simplify repair work aiming towards both lower repair costs and shorter repair time.

Finally, when designing new models, we placed more in the foreground than earlier the question of accessibility, easy replacement and simplified repair procedure on the whole.

The PV 444 guarantee, which is so well-known in Sweden and was introduced a few years ago, covers collision



Two items of news - the Volvo 121/122 S and the Volvo petrol-powered truck - being demonstrated to salesmen, on August 3rd 1956.

damage and other forms of damage. This guarantee is the end product of our service efforts. As far as this automobile-which is mass-produced to a high degree-is concerned, we have managed to reduce repair costs to such a low level that we were able to relieve the customer of these costs within certain limits and, thanks to the keener competition we could offer, we sold so many more automobiles that the profit from these could balance and even exceed the total value of repair costs involved through the guarantee.

Finally a reflection concerning the general feeling in the company. When we at Volvo, at the beginning of our activities, began to have contact with the automobile industries in the United States from a purchasing and study point of view, we were surprised by their unreserved attitude and their readiness to impart information concerning their work, both from designing and manufacturing viewpoints. We were allowed to see all we wanted to see. We asked question about all sorts

of things and received detailed answers. This frankness was not limited to us foreigners but seemed to apply just as much internally in the United States as a whole. I found this frankness extremely appealing. I had arranged things at Volvo so that we all sat in one large office where each one of us could follow everything that happened and everything that was said and I made a practice of openly discussing Volvo business with anyone who was interested. Later I made a rule of giving as detailed information as possible concerning the activities of the company in the Annual Company Report and attempted to train Volvo employees to have the same point of view.

I am convinced that the frankness and sincerity of Americans has been an important factor in the rapid progress maintained in the United States and I believe that co-operation and relationship between individuals would be better, more productive and more pleasant if this mentality became more general.

Assay Gabriëlsson Fund for clinical research

Before his death Assay Gabriëlsson made an express request that the funeral should take place quietly. His family therefore respected this. For this reason nobody outside the family was present at the funeral, the date of which will not be published. The family also expressed a wish that no wreaths or flowers should be sent to the funeral.

Anyone wishing to honour Assay Gabriëlsson's memory can do so by sending a contribution to:

"The Assay Gabriëlsson Fund for clinical research particularly as regards cancer".

Such contributions should be sent to:

Dr Arvid Hultborn,
Lillkullegatan 21,
Göteborg Sweden

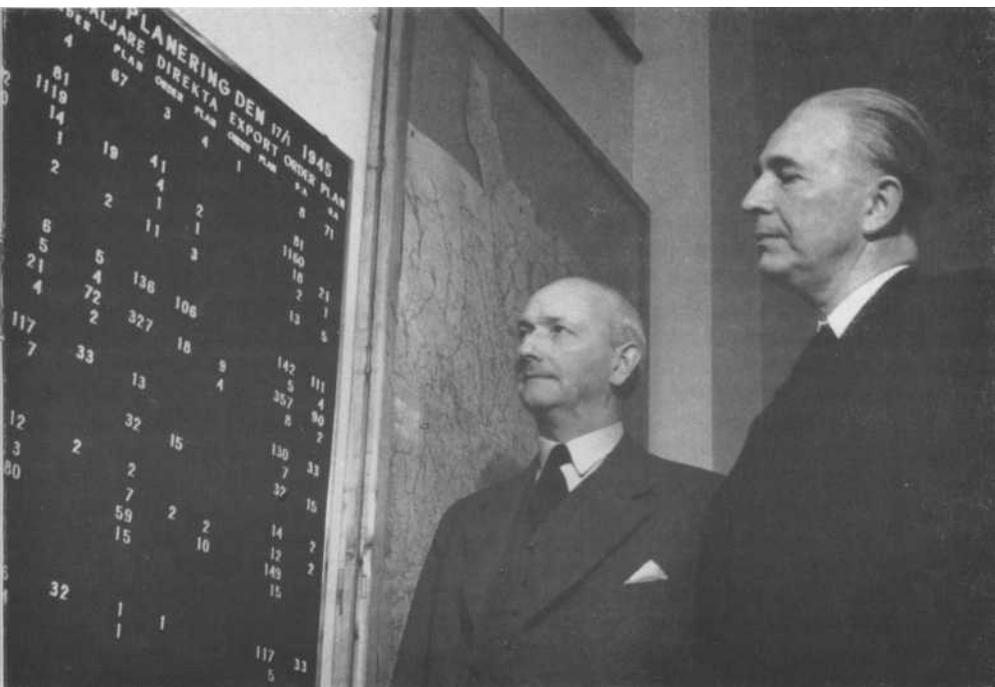
Dr Hultborn will notify the names of donors to Assay Gabriëlssons family.

Lundström, the watchman (and one of the faithful old workers from the very beginning), used to take care of the persons who became sick. He also had the Company's first-aid dispensary in his porter's lodge. And he could tell tall stories! It is probably one of these that Gabrielsson is listening to here!



This sociable snapshot was taken on Gabrielsson's 65th birthday. The group is a deputation from the Foremen's Club at Volvo. And the person making the presentation was the chairman of the Club at that time, Gunnar Thulin.

Assay Gabrielsson had time over to indulge in both hobbies and outdoor interests. Volvo's special form of the decathlon gave him an opportunity of demonstrating a skill that was good enough for the different sections of this event, like "varpa" (a form of stone-quoit throwing-contest that is typically Swedish). Shooting perhaps, was the event in which he best excelled.



Incoming orders and planning of sales strategy about the newly designed PV 444, in the year 1944, were naturally matters that were very close to the hearts of those two old friends, Gustaf Larson and Assay Gabrielsson. Being studied here in this photo are figures and forecasts on a planning-board.



A unique photo - Assar Gabrielsson clearing the ice from his fishing-rod!

TO MY FRIEND

n 1930, I was elected a member of Volvo board of directors and thus met Assar Gabrielsson for the first time.

For me, this was a most fortunate event-and for two good reasons! Firstly, I made a good friend for life and secondly, I had the opportunity of following the development of a modest project into a really great industrial organization.

Gabrielsson was no ordinary person. His colourful personality reflected his many qualities.

He was full of ideas; some brilliant and some, perhaps, less so. His brain was always active unless he was asleep -he then slept the sleep of a newborn babe!

He was also the most unmusical person I ever met and this is quite a sweeping statement. But he could, at least, come out with two little ditties, of which one was typical of his attitude towards life: "Enjoy yourself, for it's later than you think!".

I heard his other song for the first time in 1941 when we motored to a little Swedish river called Em, and where I had intended to introduce him to the noble sport of salmon fishing.

He was a most enthusiastic and highly competent angler. His speciality was fishing for pike with trout-flies. And in this art, as far as I knew, he was without peer. But, of course, he also had his unlucky days when he came home without a catch.

Well, when we passed the River Em for the first time, in the neighbourhood of Vetlanda, we took off our hats and he then sang a lusty song the words of which modesty prevents me from repeating here. But according to reliable report, that song originated from the youthful days of his military service.

I heard him sing the words of that song about four times a year during all the years we passed that fishing spot. But I must stress that I could never recall the melody for it was always a new one-if, in fact, the word melody could be applied at all!

While on the subject of music, I can emphatically say that the tenor of his life was definitely much more harmonious.

Of course, Gabrielsson, like the rest of us, had his trials and tribulations-but he never displayed his sorrows. On the other hand, he liberally shared his happy moments with all.

And then, he also had his faults. He could be quite stubborn. This could be both an asset and a weakness. The blinker-light device on the roof of Volvo cars, was characteristic of his stubbornness but he conceded the dubious advantage of that device in the end.

It was a pleasure to participate at a board meeting when Gabrielsson took the chair. Clearness and conciseness, and the disposition of appropriations -mostly huge sums-typified his moves. If he was voted down in certain proposals, he accepted with good grace. Perhaps in his innermost self, he believed that his colleagues on the board were right and-who knows?-if the same proposal was brought up again at a subsequent meeting, he would carry the voting, perhaps, at that time.

Gabrielsson was entrusted with many responsibilities over and above his duties with the Volvo Group, but Volvo was always closest to his heart.

A man who bore such a heavy burden of work, and who could still work intensively at that, of course, required relaxation. And that he got from his family and his host of friends. He also travelled far and wide; and he fished,, played cards and read omnivorously. His appetite for reading often led to discussions and, occasionally, resulted in the giving of informal lectures at societies and clubs.

Another point about him is quite clear. No one needed to have a dull moment with Gabrielsson. You could always enjoy a chat, or a quiet moment or two in his company. Once in a while he could jestingly remark: "Are you never silent?". And in self-defence, I would cheerfully retort: "Only when I'm not snoring in my sleep!".

Gabrielsson was a forthright man whom one could trust implicitly. Now that he is no longer with us, it is possible to review his accomplishments and state that his life's work-Volvo-was a highly meritorious and fruitful one.

There were many who enjoyed his friendship and shared in his labours I, personally, am deeply grateful for having participated in the many years of active, daily work which Assar Gabrielsson inspired in all of us-and,, without doubt, the overwhelming majority who came in contact, or worked with him, are of the same opinion.

Erik L. Magnus

GABRIEL

Assay Gabriellsson used to relate occasionally his tale about some savages and their bow. That story, in spite of its simplicity, was to exemplify the value and need for initiative and organization. The climax of that yard was typical of Gabriellsson and it gave food for thought! Volvo's office staff obviously kept that in mind and their gift to Gabriellsson on his 65th birthday was appropriately to the point!

This is a tale about three days in the lives of some savages. In the beginning, ten savages went out into the woods. They were naked and without weapons or tools. And they existed upon the fruit and game they could forage. Their production for the whole day consisted solely of obtaining food and they ate up this food on the same day. Their production was also their consumption. And when the first day was over, these poor savages were just as naked and as badly off as they were when the day began.

So one of them then went before their chief and said, "I have an idea. I will make a bow, and that is a wonderfully fine thing which can be useful to all of us".

"Yes, why not?", the others responded.

"But it is not so easy", continued the savage who had the idea. "When we all go into the woods, I get all the food I need for a day. But if I'm to spend my time making a bow, then I can't go into the woods. So the rest of you must get more food to take care of me too! I must have just as much as the rest of you".

While the other savages were thinking this over, he continued, "But this matter can also be arranged in another way. You nine produce the same quantity of food as you usually do, but instead of dividing the lot into nine



parts, let me have a tenth share. You will all have to eat a little less for I must eat too, when I'm making the bow".

"That was the stupidest thing we ever heard of!", the others cried. "Are we to reduce our level of existence just so that you may make a bow? Reducing our standard of living, pooh!, that's not to be thought of at all!".

How this matter of providing food for the savage with the idea is not told in this story. Whether he made the bow unaided or whether he got help, we'll never know. But when the second day was over, he had his bow. And on the third day they all went out into

the woods again. They did not go alone, these ten men. They had with them the Bow! They carried this bow-their capital and *productive* tool-with them. And from that moment onwards, they could raise their living standard. For with the bow, they could now bring down birds which they formerly could not reach.

That was the first step the savages took on the long road upwards and onwards to a higher standard of living.

And what happened to the inventor's bow? Perhaps the chief may have thoughtfully proclaimed that, in the interests of the community, he should take care of the bow himself!

Assar Gabriellsson appeared in news items, prominently headlined, in the Swedish press to an extent equalled by few others. He never hesitated to express his personal viewpoints on any subject and was ready to exchange verbal blows, if necessary, with opponents and others who did not share his opinions. His decisions and utterances on different

matters, therefore, provided excellent material for the members of the press.

For example, like the time when transport by rail predominated in Sweden. Assay Gabriellsson, as the head of the Volvo Company, had reason to start a lively verbal controversy that attracted attention far and wide. That argument was with the head of the Swedish State Railways, Mr. Granholm,

who, as was generally known, was also a man of striking personality. Among the verbal thrusts exchanged, Gabriellsson stated in a Gothenburg daily paper that "the Indian Summer of the Swedish State Railways would not last forever-trucks and cars are, and will continue to be, the most important medium of transport!".

Gabriellsson had been to Russia and

"Järnvägarnas indiansommar"
skall ej räcka evinnerligen!

VOLVOCHEFEN 50
ÄVEN I

VOLVOCHEFEN FICK SAMMA 'ST
PRESENT SOM RYSKE TSAREN?

Massor av upp
dir. Gabri
Volvochefen
hos
till Sydamerika

SWEDISH VOLVO
INVADES AMERICA
Möjligheten av ökad
bilexport studeras

Volvochefen åtalas
för femårsgarantin

"Jag hyser ingen oro"

EN KRAFTKARL I GÖTEBORG
Gabrielsson vill låna sina
Pensionskassor

Gabrielsson
tjänstemäns
Assar Gabrielsson
magellar de styrandes
hållning mot bilismen

studied business there. It was probable that that visit was the one which prompted the Volvo salesmen in Sweden to give Gabrielsson a 50th birthday present, in 1941, which was both expensive and unusual. That present took the form of a replica of a magnificent piece of silverware made in the early part of the 17th Century: a silver statue showing Hercules bearing the Earth upon his shoulders. The original, which is now in the Swedish royal collection, was presented to the Swedish king, Gustavus Adolphus, by the burghers of Nuremburg. An earlier replica had also been made to the order of a Swedish king in Victorian times, Oscar II, and presented to the then ruling Russian Czar.

The Swedish home market was considered inadequate for development and expansion, so frequent trips abroad were made by Gabrielsson. He made promising foreign contacts which subsequently proved to be highly fruitful. But capital was required to enter international markets and Assar Gabrielsson cast a speculative eye upon the pension funds of his employees. The Swedish press made a 4-column headline story out of that. And his newspaper-reading employees were highly shocked over this original method of Gabrielsson's to obtain the capital he wanted! However, that problem of additional capital was solved in a more conventional manner to the benefit, it is hoped, of all parties concerned.

There were also times when there were sharp differences of opinion between the Volvo factory departments and the head office. And the newspapers had a field day by chiming in with: "Volvo Strike a Communist Act, states Gabrielsson". It should be mentioned that 1952 was a turbulent year. That headline, and Gabrielsson's statement to the press, is on record in the pages of Gothenburg's liberal daily, the "Göteborgs Handels- och Sjöfartstidning". The opposition press was, of course, not slow in countering with: "Volvo attacked by Employers of Labour!". That headlines appeared in an editorial in the left wing "Arbetartidningen" at that time.

Assar Gabrielsson and Volvo-these became two great names synonymous with strength and industrial enterprise. "A Man among Men!" was how a journal described Assar Gabrielsson in some connection or other at one time. And his friends and fellow-workers in Volvo -and around the world-endorse the accuracy of that description!



ASSAR GABRIELSSON was born on August 13, 1891, in Korsberga, in the province of Skaraborg, Sweden. After matriculating in Stockholm in 1909, he entered the university "Handelshögskolan i Stockholm" (the Stockholm Graduate School of Business Administration), and where he graduated with a B.Sc. (Eton.) degree in 1911. Gabrielsson was then employed in 1912 as a stenographer in the chancellery of the Swedish Parliament (Second Chamber). He stayed there for four years. In 1916, he joined the Swedish Ball Bearing Company, SKF, in Gothenburg. During the year 1920 to 1922, he was the managing director of the SKF company in Paris, the "Société Anonyme de Roulements à Billes". In 1923, before Gabrielsson was 35 years old, he was appointed the sales director for the entire SKF group of companies.

In 1924, Assar Gabrielsson initiated a collaboration with an engineer, Gustaf Larson. Mr. Larson was at that time the technical director of AB Galco; and he had earlier in his career also worked in SKF as well as in the British automotive industry. That collaboration, which was to continue throughout their lives, resulted in their joint founding of AB Volvo in 1926.

On the eve of April 14, 1927, the first mass-produced Volvo car rolled off the assembly line in the leased premises of a ball bearing factory, the "Nordiska Kullagerfabriken", in Hisingen (a district of Gothenburg).

In the year 1941, when Assar Gabrielsson was 50 years old, the 50,000th Volvo car was produced. It had taken 10 years to produce the first 25,000 cars but only four years for the other 25,000.

When Assar Gabrielsson, in 1956, retired from his post as Volvo's managing director to become chairman of the Volvo board, car production had tripled since 1950. This meant an increase from 18,747 units to 50,682.

Because of his manifold talents and wide experience, Assar Gabrielsson was chosen on numerous occasions for various assignments outside the actual activities of the Volvo Group. Among such assignments, he had participated on several occasions in trade-agreement negotiations for the Swedish Government with foreign powers. One such occasion was in negotiations with the U.S.S.R., and he made five visits to that country between 1923 and 1931. Other negotiations in which he took part were with the U.S.A. and Spain. In 1929, he was appointed a member of the board of the Swedish Match Company, "Svenska Tändsticks AB". In that capacity, he acted as an administrator. During the years, 1937 to 1939, he was a member of the Swedish Government's so-called Commission of Economic Defence. In 1947, Gabrielsson was the world-president of the Congress of Industrial Organizations; a post which he retained up to 1951. In 1957, he was appointed chairman of the board of the Swedish shipbuilding concern, AB Götaverken. And in 1959, he was made an honorary Doctor of Economics by his old university, "Handelshögskolan i Stockholm".

Gabrielsson was awarded the medal of the "Ingenjörsvetenskapsakademiens de Laval" (The de Laval Academy of Engineering Science) in 1929; and the Clarence von Rosen medal in 1942. In 1956, he became a member of "Vetenskaps- och Vitterhetssamhället i Göteborg" (The Gothenburg Society of Science and Literature); and in 1960, he was elected an honorary member of the Swedish "MTM-föreningen" (Association of Methods, Time and Motion Studies).

Assar Gabrielsson passed away in Gothenburg on May 28th 1962.