

# Holden Special Vehicles facing tough times

By CHRISTOPHER de FRAGA

AUSTRALIA'S smallest car maker, Holden Special Vehicles, owned by British race driver and businessman Tom Walkinshaw — after a good start — is now facing the tough times of major car makers.

Sales of its modified Holdens to its predominantly blue collar executive market are predicted to fall this year.

This goes against the car industry's forecast for a three per cent increase in sales this year.

HSV welcomes Ford's 1992 entry into its special Australian vehicles market, claiming this will swing buyer attention to special models.

Holden Special Vehicles is also considering a change of direction, supplying body enhancement kits for other cars as well as the GMHA Holden range.

The company has signed a three-year agreement with GMHA to continue to supply and sell through Holden dealers its range of specialised vehicles.

But it may begin to supply parts this year to fit other cars, such as the Toyota Lexcen — a re-badged Commodore sold by Toyota dealers under a deal done through United Australian Automotive

Industries, the joint GM-Toyota company which is having such trouble settling down.

Work done on makes other than Holdens will be performed by a subsidiary already set up through the quite separate Holden Racing Team organisation owned by HSV.

Already, Tom Walkinshaw is providing body kits for Mazda models such as the 323-based Astina and the MX5 sports two-seater.

The number of Holden dealers selling HSV vehicles has been reduced this year from 100 to about 70, contributing to the drop in sales from 1700 vehicles, in 1990, to 1400 vehicles last year.

The number of HSV dealers may be reduced further, to just 50, HSV believes.

It is predicted that 1200 HSV vehicles will be sold this year, including a new range of luxury models to be called HSV Senators — based on the Statesman and Caprice GMHA luxury cars.

The reason for the upmarket shift of emphasis is the sudden focus by importers on the \$45,000 price point just below the luxury sales tax, the BMW 3-series and the Mercedes 180E being two examples.

It is ironic that one reason for the reduction in HSV dealers is that the cost of carrying a demonstration model of the more costly HSV cars proved dearer than some dealers wanted to pay.

HSV's best dealer is in the upper north shore area of Sydney, and more of the HSV dealers who dropped out in 1991 were in Melbourne than in Sydney.

Instead of market research, HSV goes to motor shows. Bathurst winner John Harvey, a former Peter Brock aide who is now racing manager of HSV's Holden Racing Team and has been with it since its inception, and HSV's managing director, John Crennan, are on the company's motor show stand for the first two days of a motor show.

"Enthusiasts come to motor shows, and they are there mostly in the first two days. After that there may be only 'tyre-kickers' on the stand," said Mr Crennan, adding that HSV also used the data base of its 5400 owners for its market research into buyer trends.

"Although we have not gone for the Brock-type market, we have a raw-boned enthusiast customer who is looking for value for money. We are after the business-professional man who

wants an Australian car," said Mr Crennan.

HSV's turnover in 1990 was \$22 million; last year it dropped to \$17 million because of a lower-priced mix of vehicles.

This year, HSV would push exports to countries serviced by GMHA, said Mr Crennan, who once worked for GMHA and is credited with introducing the "Executive" model to GMHA's lineup, an idea which has since spread to other car makers.

"We have sold 180 vehicles in New Zealand and we will be pushing exports to Singapore, Thailand and Brunei, among other markets. The Sultan of Brunei, reportedly the world's wealthiest man, has four of our vehicles," said Mr Crennan.

The most expensive vehicle to leave HSV's headquarters in Notting Hill last year was a \$95,000 HSV version of a Holden Caprice, for a buyer in Moree, New South Wales.

Half HSV's business is in Sydney, so this year HSV will offer a new same-day car modification program from GMHA's service garage in Roseberry, Sydney. Melbourne represents 20 per cent of the business, Brisbane 14 per

cent, and the remainder is split between Adelaide and Perth.

HSV's logo on clothing and other goods produced a turnover of \$500,000 last year: \$30,000 worth of caps, T-shirts, track suits and windcheaters being sold on the first day of the four-day Bathurst 1000 race meeting last October.

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IN the midst of the turmoil in Eastern Europe, Saab says it has sold a couple of its cars to the St Petersburg police force. Saab says there are good prospects for a further, larger order.

The cars will be in the blue and white colors of Swedish police cars, but they will have GAI, the traffic police of St Petersburg's decal, on the doors of the cars.

The cars will have Saab's two-litre, fuel-injected engine and will be serviced by the Saab dealer at Imatra, on Finland's eastern border.

Saab says the St Petersburg police were impressed with the rugged design of the cars and their interior room.

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ORGANISERS of the Targa Tasmania already have received 150 entries from



Two Saabs delivered to the St Petersburg police department.

owners of specially selected automobile treasures for the unique touring/competition-style event.

Designed to become an annual event, the Targa Tasmania will be held over five days from 29 April, and has been fuelled by the rising spirit of historic and classic motoring in Australia.

Some of the entries show the diversity of cars involved, one offering either a 1964 Mustang or a D-type Jaguar. There are Edwardian cars, vintage cars and post-vintage thoroughbreds. As well, more modern cars, such as an AC Cobra replica, are being considered.

First on the list of entrants is Alan Hamilton, with a Porsche 908, the road racer from the late 1960s.

For Diana Gaze, of Nagambie, the event will be a family affair — her co-driver in the family's very rare 1929 Zagato Alfa Romeo SS is her daughter.

The car was built for road rallies and has a long history of competition in Australia, some of it a little inadvertent.

The car set fastest speed in an afternoon of speedway racing at Bondi's Marine Promenade when driven by the wife of a Lithgow brewer, Mrs J. A. S. Jones, with a quarter-mile acceleration of 18.3 seconds.

This is one of the better cars contesting the Targa Tasmania, Mrs Jones having selected a 1750 SS spyder as her competition car during a 1929 visit to the Alfa Romeo factory in Milan.