

## **A Brief History Of General Motors Corp.**

Published on Industrial Maintenance & Plant Operation (<http://www.impomag.com>)

---

## **A Brief History Of General Motors Corp.**

Some key events in General Motors' history:

Sept. 16, 1908 - General Motors Company founded by William C. Durant, incorporating Buick Motor Co. Oldsmobile joins GM in November.

1909 - GM sells 25,000 cars and trucks. Acquires Cadillac for \$5.5 million. Also purchases GMC, AC spark plug.

1910 - Durant brings the Champion ignition and other companies into GM. Sales rise 60 percent, but earnings lag. Durant is ousted by bankers as company sinks into debt.

1911 - Electric self-starter first appears on a Cadillac on 1912 model.

1915-16 - GM incorporated as General Motors Corp. Durant, after founding company that builds Chevrolets, regains control.

1917-19 - GM shifts most truck production to war effort. GM Acceptance Corp. (GMAC) is established in 1919 to finance car and truck sales.

1920 - Durant resigns, later files personal bankruptcy and dies running bowling alleys.

1920s - GM creates product policy aiming Buick, Pontiac, Chevrolet, Oldsmobile and Cadillac at five different groups of buyers.

1921 - GM accounts for 12 percent of U.S. car market.

1923 - Alfred P. Sloan named president and chief executive.

1925 - GM acquires Vauxhall Motors Ltd. of Great Britain. Also establishes operations in Germany, France, Argentina and Brazil.

1929 - GM acquires Adam Opel AG of Germany.

1937 - Violent sit-down strikes by GM hourly workers in Flint, Mich., shake company, lead to United Auto Workers representation.

1941 - GM market share grows to 41 percent. Air conditioning first offered in Cadillacs.

1942 - Civilian auto production halted and plants turned to war effort.

1945-46 - Workers strike for 113 days.

## **A Brief History Of General Motors Corp.**

Published on Industrial Maintenance & Plant Operation (<http://www.impomag.com>)

---

1948 - First automobile fins unveiled, on a Cadillac. First V8 engines introduced on Oldsmobiles and Cadillacs.

1949 - After purchase of National City Lines of Los Angeles, GM accused of buying streetcar companies since 1920s and replacing them with bus systems. GM is convicted just once, of conspiracy in the Los Angeles case.

1954 - GM's U.S. market share reaches 54 percent. Company makes 50 millionth car.

1956 - Sloan retires as chairman.

1959-60 - Reacting to invasion of small European cars, GM introduces Chevrolet Corvair. Car later attacked by Ralph Nader, who wrote book "Unsafe at Any Speed" that led to congressional auto safety hearings.

1979 - GM's U.S. employment peaks at 618,365, making it the largest private employer in the country. Worldwide employment is 853,000. Decade features sales decline, recession, Arab oil embargo and gains by Japanese automakers.

1980 - Roger B. Smith named chairman. GM loses more than \$750 million as car and truck sales plunge 26 percent.

1981 - GM consolidates truck, bus and van operations. Auto workers bash Japanese cars with sledge hammers. Company earns \$333.4 million on \$62.7 billion in revenue.

1983 - GM and Toyota Motor Corp. of Japan form joint venture to build cars at a GM-owned plant in Fremont, Calif. Smith announces Saturn project to fight Japanese cars. GM makes \$3.7 billion.

1984 - GM overhauls North American organization; acquires Electronic Data Systems Corp., owned by Texas billionaire H. Ross Perot, for \$2.5 billion. Earnings rise to \$4.5 billion on revenue of \$84.9 billion.

1985 - Company forms new Saturn Corp. subsidiary. GM acquires Hughes Aircraft Co. for \$5 billion. GM makes \$4 billion.

1986 - GM announces plans to close 11 U.S. plants. Employment grows to 877,000 as earnings fall to \$3.9 billion. After infighting, Perot resigns from board and gets \$700 million in severance.

1987 - GM and UAW reach contract prohibiting closure of a plant unless its product sales fall. Earnings fall to \$3.6 billion.

1988 - Earnings rise to \$4.6 billion and revenue hits \$123.6 billion. Employment drops to 766,000.

## **A Brief History Of General Motors Corp.**

Published on Industrial Maintenance & Plant Operation (<http://www.impomag.com>)

---

1989 - GM complies with federal regulations and equips about 15 percent of fleet with driver's air bags, blames devices for boosting car prices. Profits fall to \$4.2 billion.

1990 - GM and Saab-Scania AB of Sweden form joint venture to make cars in Europe. Smith retires as chairman, succeeded by President Robert Stempel. GM launches Saturn, takes \$2.1 billion charge for four plant closings, and profits fall to \$102 million as auto sales plummet.

1991 - Company loses industry record \$4.45 billion. Stempel announces GM will close 21 plants over the next few years and eliminate 9,000 salaried and 15,000 hourly jobs in 1992, in addition to layoffs at shuttered plants.

1992 - Board strips some of Stempel's authority. Stempel later resigns, saying rumors about his future compromised his ability to lead. Jack Smith gets title of chief executive officer and outside director John Smale is named chairman.

1996 - GM spins off Electronic Data Systems as a separate company.

1997 - GM sells defense electronics business of Hughes Electronics to Raytheon and merges Hughes' auto parts business with Delphi Automotive Systems (now Delphi Corp.).

1998 - Strikes at two Michigan parts plants shut down almost all North American production.

1999 - Delphi is spun off as a separate company. GM purchases rights to the Hummer brand from AM General.

2000 - President Rick Wagoner replaces Smith as CEO. GM cuts 10 percent of white-collar employment.

2002 - GM spends \$251 million on 42 percent stake in South Korea's bankrupt Daewoo Motor and names it GM Daewoo Auto & Technology Co. Stake later increased to 51 percent.

2003 - GM sells defense unit to General Dynamics Corp. for \$1.1 billion and sells 20 percent stake in Hughes Electronics to News Corp. for \$3.1 billion.

2004 - Last model year for Oldsmobile.

2006 - About 47,600 GM and Delphi hourly workers take buyout or early retirement offers. GM investor Kirk Kerkorian suggests alliance with Nissan and Renault, which GM's board examines and rejects; Kerkorian sells much of his stake. GM sells 51 percent stake in GMAC Financial Services to group led by Cerberus Capital Management LP for \$14 billion.

2007 - GM loses \$38.7 billion, including \$39 billion third-quarter charge for unused tax credits. It's the largest annual loss in auto industry history. GM reaches historic

## **A Brief History Of General Motors Corp.**

Published on Industrial Maintenance & Plant Operation (<http://www.impomag.com>)

---

contract with United Auto Workers that shifts billions in retiree health care expenses to union-administered trust. Company agrees to pay \$33.7 billion into trust. Contract also lets company pay some new hires \$14 per hour. U.S. market share is 23.7 percent. GM sells Allison Transmission to The Carlyle Group and Onex Corp. for \$5.6 billion.

2008 - Gas prices hit \$4 per gallon and truck sales plummet. GM announces plan to close four pickup and sport utility vehicle factories, plans to shed 8,350 jobs. Hummer brand put up for sale. By fall, executives begin asking congressional leaders for aid. GM and Chrysler talk about a merger, but talks die down as both companies' sales continue to fall on U.S. and worldwide recession woes. By December, GM tells Congress it needs \$18 billion to stay afloat. It receives \$13.4 billion, racks up a \$30.9 billion annual loss and burns through \$19.2 billion.

2009 - The Obama administration takes office in January. On Feb. 17, GM says it will need a total of \$30 billion and its Saab unit files for bankruptcy in Sweden. In its restructuring plan presented to the U.S. government, GM say it will only keep Saturn running through 2011, but it's open to the possibility of spinning off the money-losing brand to retailers or investors. Discussions are ongoing.

March 30 -- President Barack Obama — a day after firing CEO Rick Wagoner — tells GM it hasn't done enough to restructure and gives the company until June 1 to make more aggressive cuts. Chief Operating Officer Fritz Henderson takes over as CEO. Board member Kent Kresa becomes interim chairman.

April 27 -- GM asks 90 percent of its bondholders to participate in a debt-for-equity swap to rid the company of \$24 billion by giving them 225 shares for every \$1,000 in bond for a combined 10 percent stake in the company. Existing shareholders would end up with 1 percent of the company following the issuance of 62 billion new shares and a 100-for-1 reverse stock split. GM also says it will end the Pontiac line.

May 7 -- GM reports a first quarter loss of \$6 billion, with revenue falling by more than half.

May 15 -- GM says it will end contracts with about 1,100 dealers.

May 26 -- UAW agrees to job cuts, 14 plant closures, and a 20 percent equity stake in the company to cover retiree health care costs. Members are expected to vote on the changes by the end of the week.

May 27 -- GM says debt exchange offer has failed. Bankruptcy appears likely, as GM struggles to get all parties to agree to new, leaner terms before June 1. Government loans now total \$19.4 billion.

**Source URL (retrieved on 10/20/2014 - 8:53pm):**

<http://www.impomag.com/articles/2009/05/brief-history-general-motors-corp?qt->

## **A Brief History Of General Motors Corp.**

Published on Industrial Maintenance & Plant Operation (<http://www.impomag.com>)

---

[recent\\_content=0](#)