







# Holden

GM Holden Ltd



## HOLDEN

<b>Type</b>	Subsidiary
<b>Founded</b>	1856
<b>Headquarters</b>	Port Melbourne, Victoria, Australia
<b>Key people</b>	Mark Reuss <i>Chairman and Managing Director</i>
<b>Industry</b>	Automotive
<b>Products</b>	Automobiles Engines
<b>Employees</b>	6336 (March 2009)
<b>Parent</b>	General Motors (1931–present)
<b>Website</b>	<a href="http://www.holden.com.au">www.holden.com.au</a>

**GM Holden Ltd** is an Australian automaker based in Port Melbourne, Victoria. The company was originally independent, but since 1931 has been a subsidiary of General Motors (GM). Holden has taken charge of vehicle operations for GM in Australasia and, on behalf of GM, holds partial ownership of GM Daewoo in South Korea. Over the years, Holden has offered a broad range of locally produced vehicles, supplemented by imported GM models. In the past, Holden has offered badge engineered Chevrolet, Isuzu, Nissan, Suzuki and Toyota models in sharing arrangements, with Daewoo, Opel and Isuzu-sourced models sold currently.

Holden bodyworks are manufactured at Elizabeth, South Australia, and engines are produced at the Fishermens Bend plant in Port Melbourne, Victoria. Historically, production or assembly plants were operated in all mainland states of Australia: Acacia Ridge, Queensland; Dandenong, Victoria; Mosman Park, Western Australia; Pagewood, New South Wales; and Woodville, South Australia. Until 1990, GM's New Zealand subsidiary Holden New Zealand operated a plant based in Trentham, with a plant in Petone running until 1984. The consolidation of car production at Elizabeth was completed in 1988, but some assembly operations continued at Dandenong until 1996.

Although Holden's involvement in exports has fluctuated since the 1950s, the declining sales of large cars in Australia has led the company to look to international markets to increase profitability; in 2006, exports alone accounted for almost AU\$1.3 billion in earnings.

## History of the company

### Early history

In 1852, James Alexander Holden emigrated to South Australia from Walsall, England and in 1856 established *J.A. Holden & Co*, a saddlery business in Adelaide. Edward Holden, James' son, joined the firm in 1905 with an interest in automobiles. From there, the firm evolved through various partnerships and, in 1908, Holden and Frost moved into the business of minor repairs to car upholstery. The company began to produce complete motorcycle sidecar bodies in 1913, and Edward experimented with fitting bodies to different types of carriages. After 1917, wartime trade restrictions led the company to start full-scale production of vehicle body shells. J.A. Holden founded a new company in 1919, *Holden's Motor Body Builders Ltd* (HMBB) specialising in car bodies. By 1923, HMBB were producing 12,000 units per year. During this time, HMBB was the first company to assemble bodies for Ford Australia until their Geelong, Victoria, plant was completed. From 1924, HMBB became the exclusive supplier of car bodies for GM in Australia, with manufacturing taking place at the new Woodville, South Australia plant. These bodies were made to suit a number of chassis imported from manufacturers such as Chevrolet and Dodge. The Great Depression era led to a substantial downturn in production, from 34,000 units annually in 1930 to just 1,651 units one year later. In 1931, GM purchased the business and formed *General Motors–Holden's Ltd*. Since then, two name changes have occurred: the first, in 1998, changed the name to *Holden Ltd*, and the second, in May 2005, to *GM Holden Ltd*.



## 1940s

Holden's first full-scale car factory, located in Fishermens Bend (Port Melbourne), was completed in 1936, with construction beginning in 1939 on a new plant in Pagewood, New South Wales. However, World War II delayed car production with efforts shifted to the construction of vehicle bodies, field guns, aircraft and engines. Before the war ended, the Australian Government took steps to encourage an Australian automotive industry. Both GM and Ford provided studies to the Australian Government outlining the production of the first Australian designed car. Ford's proposal was the government's first choice, but required substantial financial assistance. GM's study was ultimately chosen because of its low level of government intervention. After the war, Holden returned to producing vehicle bodies, this time for Buick, Chevrolet, Pontiac and Vauxhall.

From here, Holden continued to pursue the goal of producing an Australian car. This involved compromise with GM, as Holden's managing director, Laurence Hartnett, favoured development of a local design, while GM preferred to see an American design as the basis for "Australia's Own Car". In the end, the design was based on a previously rejected post-war Chevrolet proposal. The Holden was launched in 1948, creating long waiting lists extending through 1949 and beyond. Although officially designated "48-215", the car was marketed simply as the "Holden". The unofficial usage of the name "FX" originated within Holden, referring to the updated suspension 48-215 of 1953.

## 1950s

During the 1950s, Holden dominated the Australian car market. GM invested heavily in production capacity, which allowed the company to meet increased post-war demand for motor cars. Less expensive four-cylinder cars did not offer Holden's ability to deal with rugged rural areas. 48-215 sedans were produced in parallel with the 50-2106 coupé utility from 1951; the latter was known colloquially as the "ute" and became ubiquitous in Australian rural areas as the workhorse of choice. Production of both the utility and sedan continued with minor changes until 1953, when they were replaced by the facelifted FJ model, introducing a third panel van body style. The FJ was the first major change to the Holden since its 1948 introduction. Over time it gained iconic status and remains one of Australia's most recognisable automotive symbols. A new horizontally-slatted grille dominated the front-end of the FJ, which received various other trim and minor mechanical revisions. Although little changed from the 48-215, marketing campaigns and price cuts kept FJ sales steady until a completely redesigned model was launched. At the 2005 Australian International Motor Show in Sydney, Holden paid homage to the FJ with the Efijy concept car.

Holden's next model, the FE, launched in 1956; offered in a new station wagon body style dubbed "Station Sedan" in the company's sales literature. Strong sales continued in Australia, and Holden achieved a market share of more than 50 percent in 1958 with the revised FC model. This was the first Holden to be tested on the new *Holden Proving Ground* based in Lang Lang, Victoria. The opening of the Dandenong, Victoria, production facility in 1956 brought further jobs; by 1959 Holden employed 19,000 workers country-wide.

## 1960s

In 1960, Holden introduced its third major new model, the FB. The car's style was inspired by 1950s' Chevrolets, with tailfins and a wrap-around windshield with "dog leg" A-pillars. By the time it was



introduced, many considered the appearance dated. Much of the motoring industry at the time noted that the adopted style did not translate well to the more compact Holden. The FB became the first Holden that was adapted for left-hand-drive markets, enhancing its export potential.

In 1960, Ford unveiled the new Falcon in Australia, only months after its introduction in the United States. To Holden's advantage, the Falcon was not durable, particularly in the front suspension, making it ill-suited for Australian conditions. In response to the Falcon, Holden introduced the facelifted EK in 1961; the new model featured two-tone paintwork and optional Hydramatic automatic transmission. An all-new EJ model came in 1962, debuting the new luxury oriented Premier model. The EH update came a year later bringing the new *Red* motor, providing better performance than the previous *Grey* motor. The HD series of 1965 saw the introduction of the *Powerglide* automatic transmission. At the same time, an "X2" performance option with a more powerful version of the 179-cubic-inch (2.9 L) six-cylinder engine was made available. 1966 saw the introduction of the HR, with changes in the form of new front and rear styling and higher-capacity engines. More significantly, the HR fitted standard front seat belts; Holden thus became the first Australian automaker to provide the safety device as standard equipment across all models. This coincided with the completion of the production plant in Acacia Ridge, Queensland.

Holden began assembling the compact HA series Vauxhall Viva in 1964. This was superseded by the Holden Torana in 1967, a development of the Viva ending Vauxhall production in Australia. Holden offered the LC, a Torana with new styling, in 1969 with the availability of Holden's six-cylinder engine. In the development days, the six-cylinder Torana was reserved for motor racing, but research had shown that there was a business case for such a model. The LC Torana was the first application of Holden's new three-speed *Tri-Matic* automatic transmission. This was the result of Holden's AU\$16.5 million transformation of the Woodville, South Australia factory for its production.

Holden's association with the manufacture of Chevrolets and Pontiacs ended in 1968, coinciding with the year of Holden's next major new model, the HK. This included Holden's first V8 engine, a Chevrolet engine imported from Canada. Models based on the HK series included an extended-length prestige model, the Brougham, and a two-door coupé, the Monaro. The mainstream Holden Special was rebranded the Kingswood, and the basic fleet model, the Standard, became the Belmont. On 3 March 1969 Alexander Rhea, managing director of General Motors-Holden's at the time, was joined by press photographers and the Federal Minister of Shipping and Transport, Ian Sinclair as the two men drove the two millionth Holden, an HK Brougham off the production line. This came just over half a decade since the one millionth car, an EJ Premier sedan rolled off the Dandenong line on 25 October 1962. Following the Chevrolet V8 fitted to the HK, the first Australian-designed and mass-produced V8, the Holden V8 engine debuted in the Hurricane concept of 1969 before fitment to facelifted HT model. This was available in two capacities: 253 cubic inches (4.1 L) and 308 cubic inches (5.0 L). Late in HT production, use of the new *Tri-Matic* automatic transmission, first seen in the LC Torana was phased in as *Powerglide* stock was exhausted, but Holden's official line was that the HG of 1971 was the first full-size Holden to receive it.

Despite the arrival of serious competitors—namely, the Ford Falcon, Chrysler Valiant, and Japanese cars—in the 1960s, Holden's locally produced large six- and eight-cylinder cars remained Australia's top-selling vehicles. Sales were boosted by exporting the Kingswood sedan, station wagon, and utility body styles to Indonesia, Trinidad and Tobago, Pakistan, the Philippines and South Africa in complete knock down form.

## 1970s

Holden launched the new HQ series in 1971. At this time, the company was producing all of its passenger cars in Australia, and every model was of Australian design; however, by the end of the decade, Holden was producing cars based on overseas designs. The HQ was thoroughly re-engineered, featuring a perimeter frame and semi-monocoque (unibody) construction. Other firsts included an all-coil suspension and an extended wheelbase for station wagons, while the utilities and panel vans retained the traditional coil/leaf suspension configuration. The series included the new prestige Statesman brand, which also had a longer wheelbase replacing the Brougham. The Statesman remains noteworthy because it was not marketed as a "Holden", but rather a "Statesman".

The HQ framework led to a new generation of two-door Monaros, and, despite the introduction of the similar sized competitors, the HQ range became the top-selling Holden of all time, with 485,650 units sold in three years. The HQ series was facelifted in 1974 with the introduction of the HJ, heralding new front panel styling and a revised rear fascia. This new bodywork was to remain, albeit with minor upgrades through the HX and HZ series. Detuned engines adhering to government emission standards were brought in with the HX series, whilst the HZ brought considerably improved road handling and comfort with the introduction of "Radial Tuned Suspension" (RTS). As a result of GM's toying with the Wankel rotary engine, as used by Mazda of Japan, an export agreement was initiated in 1975. This involved Holden exporting with powertrains, HJ, and later, HX series Premiers as the Mazda Roadpacer AP. Mazda then fitted these cars with the *I3B* rotary engine and three-speed automatic transmission. Production ended in 1977, after just 840 units sold.

During the 1970s, Holden ran an advertising jingle "Football, Meat Pies, Kangaroos and Holden cars", based on the "Baseball, Hot Dogs, Apple Pies and Chevrolet" jingle used by Chevrolet in the United States. Also, development of the Torana continued in with the larger mid-sized LH series released in 1974, offered only as a four-door sedan. The LH Torana was one of the few cars worldwide engineered to occupy four-, six- and eight-cylinder engines. This trend continued until Holden introduced the Sunbird in 1976; essentially the four-cylinder Torana with a new name. Designated LX, both the Sunbird and Torana introduced a three-door hatchback variant. A final UC update appeared in 1978. During its production run, the Torana achieved legendary racing success in Australia, achieving victories at the Mount Panorama Circuit in Bathurst, New South Wales.

In 1975, Holden introduced the compact Gemini, the Australian version of the "T-car", based on the Opel Kadett C. The Gemini was an overseas design developed jointly with Isuzu, GM's Japanese affiliate; and was powered by a 1.6 litre four-cylinder engine. Fast becoming a popular car, the Gemini rapidly attained sales leadership in its class, and the nameplate lived on until 1987.

Holden's most popular car to date, the Commodore, was introduced in 1978 as the VB. The new family car was loosely based on the Opel Rekord E body shell, but with the front from the Opel Senator grafted to accommodate the larger Holden six-cylinder and V8 engines. Initially, the Commodore maintained Holden's sales leadership in Australia. However, some of the compromises resulting from the adoption of a design intended for another market hampered the car's acceptance. In particular, it was narrower than its predecessor and its Falcon rival, making it less comfortable for three rear-seat passengers.

Holden discontinued the Torana in 1979 and the Sunbird in 1980. After the 1978 introduction of the Commodore, the Torana became the "in-between" car, surrounded by the smaller and more economical Gemini and the larger, more sophisticated Commodore. The closest successor to the Torana was the Camira, released in 1982 as Australia's version of GM's medium-sized "J-car".



## 1980s

The 1980s were challenging for Holden and the Australian automotive industry. The Australian Government tried to revive the industry with the Button car plan, which encouraged car makers to focus on producing fewer models at higher, more economical volumes, and to export cars. The decade opened with the shut-down of the Pagewood, New South Wales production plant and introduction of the light commercial Rodeo, sourced from Isuzu in Japan. The Rodeo was available in both two- and four-wheel drive chassis cab models with a choice of petrol and diesel powerplants. The range was updated in 1988 with the TF series, based on the Isuzu TF. Other cars sourced from Isuzu during the 1980s were the four-wheel drive Jackaroo (1981), the Shuttle (1982) van and the Piazza (1986) three-door sports hatchback. The second generation Holden Gemini from 1985 was also based on an Isuzu design, although, its manufacture was undertaken in Australia.

The new Holden WB series utilities and panel vans and the Statesman WB limousines were introduced in 1980. However, the designs, based on the HQ and updated HJ, HX and HZ models from the 1970s were less competitive than similar models in Ford's lineup. Thus, Holden abandoned those vehicle classes all together in 1984. Sales of the Commodore also fell, with the effects of the 1979 energy crisis lessening, and for the first time the Commodore lost ground to the Ford Falcon. Sales in other segments also suffered when competition from Ford intensified, and other Australian manufacturers: Mitsubishi, Nissan and Toyota gained market share. When released in 1982, the Camira initially generated good sales, which later declined because buyers considered the 1.6 litre engine underpowered, and the car's build and ride quality below-average. The Camira lasted just seven years, and contributed to Holden's accumulated losses of over AU\$500 million by the mid-1980s.

In 1984 Holden introduced the VK Commodore, with significant styling changes from the previous VH. The Commodore was next updated in 1986 as the VL, which had new front and rear styling. Controversially, the VL was powered by the 3.0 litre Nissan *RB30* six-cylinder engine and had an electronically controlled four-speed automatic transmission. The engine change was necessitated by the legal requirement that all new cars sold in Australia after 1986 had to consume unleaded petrol. Because it was unfeasible to convert the existing six-cylinder engine to run on unleaded fuel, the Nissan engine was chosen as the best engine available. However, changing exchange rates doubled the cost of the engine and transmission over the life of the VL. The decision to opt for a Japanese-made transmission led to the closure of the Woodville, South Australia assembly plant. Confident by the apparent sign of turnaround, GM paid off Holden's mounted losses of AU\$780 million on 19 December 1986. At GM headquarters' request, Holden was then reorganised and recapitalised, separating the engine and car manufacturing divisions in the process. This involved the splitting of Holden into *Holden's Motor Company* (HMC) and *Holden's Engine Company* (HEC). For the most part, car bodies were now manufactured at Elizabeth, South Australia, with engines as before, confined to the Fishermens Bend plant in Port Melbourne, Victoria. The engine manufacturing business was successful, building four-cylinder *Family II* engines for use in cars built overseas. The final phase of the Commodore's recovery strategy involved the 1988 VN, a significantly wider model powered by the American-designed, Australian-assembled 3.8 litre Buick V6 engine.

Holden began to sell the subcompact Suzuki Swift-based Barina in 1985. The Barina was launched concurrently with the Suzuki-sourced Holden Drover, and by the Scurry later on in 1985. In the previous year, Nissan Pulsar hatchbacks were rebadged as the Holden Astra, as a result of a deal with Nissan. This arrangement ceased in 1989 when Holden entered a new alliance with Toyota, forming a new company: United Australian Automobile Industries (UAAI). UAAI resulted in Holden selling rebadged versions of Toyota's Corolla and Camry, as the Holden Nova and Apollo respectively, with Toyota re-branding the Commodore as the Lexcen.

## 1990s

The company changed throughout the 1990s, increasing its Australian market share from 21 percent in 1991 to 28.2 percent in 1999. Besides manufacturing Australia's bestselling car, which was exported in significant numbers, Holden continued to export many locally produced engines to power cars made elsewhere. In this decade, Holden adopted a strategy of importing cars it needed to offer a full range of competitive vehicles.

On 26 April 1990 GM's New Zealand subsidiary, Holden New Zealand, announced that production at the assembly plant based in Trentham would be phased out and that vehicles would be imported duty-free. This came after the 1984 closure of the Petone assembly line due to low output volumes. During the 1990s Holden, other Australian automakers and trade unionists pressured the Australian Government to halt the lowering of car import tariffs. By 1997, the federal government had already cut tariffs to 22.5 percent from 57.5 percent ten years earlier, and by 2000 were planning to reduce this even further down to 15 percent. Holden was critical, saying that Australia's population was not large enough, and that the changes could tarnish the local industry.

The 1998 Holden Astra continued Holden's trend of sourcing its mid-size and smaller model lines from Opel of Europe. Before this, the government-backed Button car plan obliged Holden to source these models from Toyota.

Holden re-introduced its defunct Statesman name in 1990, this time under the Holden marque, as the Statesman and Caprice. For 1991, Holden updated the Statesman and Caprice with a range of improvements, including the introduction of four-wheel anti-lock brakes (ABS), although a rear-wheel system had been standard on the Statesman Caprice from March 1976. ABS was added to short-wheelbase Commodore range in 1992. Another returning variant was the full-size utility, this time based on the Commodore. The VN Commodore received a major facelift in 1993 with the VR. Compared to the VN, approximately 80 percent of car was new. Exterior changes brought an overall smoother body and a "twin-kidney" grille—a Commodore styling trait which remained until the 2002 VY model. Holden introduced the all-new VT Commodore in 1997, the outcome of an AU\$600 million development programme that spanned more than half a decade. The new model sported a rounded exterior body shell, improved dynamics, and many firsts for an Australian-built car. A stronger body structure increased crash safety. A revived Monaro, based on the VT Commodore, attracted worldwide attention after being shown as a concept car at Australian auto shows, and it drew a large waiting list after production began. The revived Monaro was released to the Australian market in 2001 and ceased production in 2005. The Buick-sourced V6 engine, produced locally, powered the Commodore range, as did the 5.0 L (~305 cu in) V8 engine, replaced in 1999 by the 5.7 L (~348 cu in) GM *LS* unit.

The UAAI badge-engineered cars first introduced in 1989 sold in far fewer numbers than anticipated, but the Holden Commodore, Toyota Camry, and Corolla were all successful when sold under their original nameplates. UAAI was dissolved in 1996, and Holden returned to selling only GM products. This signalled the closure of the Dandenong, Victoria facility, the sole plant for Corolla and Nova production. The Holden Astra and Vectra, both designed by Opel in Germany, replaced the Toyota-sourced Holden Nova and Apollo. This came after the 1994 introduction of the Opel Corsa replacing the already available Suzuki Swift as the source for the Holden Barina. Sales of the full-size Holden Suburban SUV sourced from Chevrolet commenced in 1998—lasting until 2001. Also in 1998, local assembly of the Vectra began at Elizabeth, South Australia. These cars were exported to Japan and Southeast Asia with Opel badges. However, the Vectra did not achieve sufficient sales in Australia to justify local assembly, and reverted to being fully imported in 2000.

## 2000s

The Monaro coupé was resurrected in 2001 as a low-volume niche model. Overseas demand proved otherwise, with the Monaro selling in high numbers throughout the United States as the Pontiac GTO (*pictured*).

Holden's market surge from the 1990s reversed in the 2000s. In Australia, Holden's market share dropped from 27.5 percent in 2000 to 15.2 percent in 2006. From March 2003, Holden no longer held the number one sales position in Australia, losing ground to Toyota. This overall downturn affected Holden's profits; the company recorded a combined gain of AU\$842.9 million between 2002 and 2004, and a combined loss of AU\$290 million between 2005 and 2006. Factors contributing to the loss included the development of an all-new model, the strong Australian dollar and the cost of reducing the workforce at the Elizabeth plant, including the loss of 1,400 jobs after the closure of the third-shift assembly line in 2005, after just two years in operation. Holden fared better in 2007, posting an AU\$6 million loss. Holden caused controversy in 2005 with their Holden Employee Pricing television advertisement, which ran between October and December 2005. The campaign publicised, "for the first time ever, all Australians can enjoy the financial benefit of Holden Employee Pricing". However, this did not include a discounted dealer delivery fee and savings on factory fitted options and accessories that employees received. At the same time, employees were given a further discount between 25 and 29 percent on selected models.



For 2006, Holden updated the Commodore with the VE series; Holden's first vehicle to be completely designed and engineered in Australia since 1971 HQ.

The VT Commodore received its first major update in 2002 with the VY series. A mildly facelifted VZ model launched in 2004, introducing the *High Feature* engine. This was built at the Fishermens Bend facility completed in 2003, with a maximum output of 900 engines per day. This has reportedly added AU\$5.2 billion to the Australian economy; exports account for about AU\$450 million alone. After the VZ, the *High Feature* engine powered the all-new VE Commodore. In contrast to previous models, the VE no longer utilises an Opel-sourced platform adapted both mechanically and in size. Throughout the 1990s, Opel had also been the source of many Holden models. To increase profitability, Holden looked to the South Korean Daewoo brand for replacements after acquiring a 44.6 percent stake in the company in 2002. The first of such models, the Barina was replaced by the Daewoo Kalos in 2005, although still under the Barina nameplate. In the same year, the Viva, based on the Daewoo Lacetti, replaced the entry-level Holden Astra Classic, although the new-generation Astra introduced in 2004 continued on. The Captiva crossover SUV came next in 2006. After discontinuing the Frontera and Jackaroo models in 2003, Holden was only left with one all-wheel drive model: the Adventra, a Commodore-based station wagon. The fourth model to be replaced with a South Korean alternative was the Vectra by the mid-size Epica in 2007. As a result of the split between GM and Isuzu, Holden in lost of the naming rights to the "Rodeo" nameplate. Consequently, the Holden Rodeo was facelifted and relaunched as the Colorado during 2008. Following Holden's successful application for a AU\$149 million government grant to build a localised version of the Chevrolet Cruze in Australia from 2010, Holden in 2009 announced that it would initially import the small car unchanged from South Korea as the Holden Cruze. Following the grant announcement, Kevin Rudd, the Australian Prime Minister stated that production would support 600 new jobs at the Elizabeth facility. However, this failed to take into account the 600 jobs that Holden previously announced would be shed when production of the *Family II* engine is set to wrap up in late 2009.





















