

May 2019 A Frame  
5351 Chestnut Street  
New Orleans, LA 70115-3054

**Officers of New Orleans A's Chapter  
Model A Ford Club of America**

President: Carl Hunter  
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2nd Vice President: Phil Strevinsky  
Secretary: Brad Persons  
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Sergeant-at-Arms: Caroline Schaub  
Sunshine Lady: Toni Schaub  
Directors: Carl Hunter, Angelo Ricca, Anthony Nicolich  
Phone Committee: Carl Hunter, Lynn Welsh, Anthony Nicolich  
Newsletter: Mickey King

## Coming Events:

**Monthly Meeting** is held on the 4th Wednesday of the month at Randazzo's Family Restaurant, 4462 Wabash Street at 6:30 pm for dinner (meeting begins about 7:15 pm).

**June 9:** Trip to Barataria and lunch at *Des Families Restaurant*. Meet at 10 am by Academy Sports. Check [www.nolamodelas.com](http://www.nolamodelas.com) for details of coming events.

**July 20:** Meet for lunch at Lakefront Airport Walnut Room.



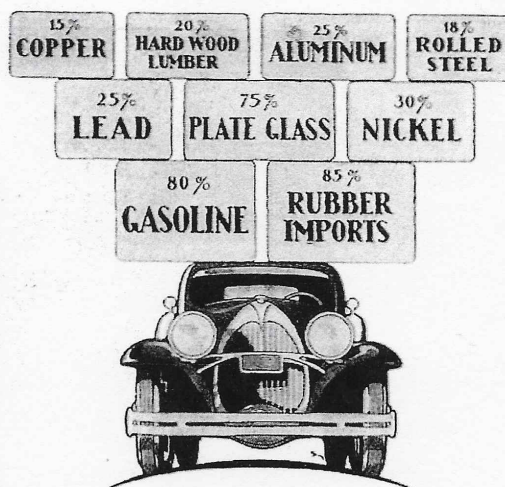


## Open House & Crawfish

Dianne & Carl Hunter have moved into their new home! On Saturday they had the club over for a crawfish party and we got to see inside and enjoy a great day together. John Troendle furnished many tables and chairs for the outside party. Attending were John Troendle & Maddie, John Maiorana, Carolyn, Toni & Ray Schaub, Angelo Ricca, Paulo Cassanova, Ruby Dayberry, Adele Foles, Barbara & Hall Townsend, Ken Falanga, Geoff Goodbee, Dianne & Carl Hunter, Marie & Anthony Nicolich, Lynn Welsh, Vic Cavallo & Jay, Mickey King, and some I have left out! Many thanks to everyone who helped set things up and to Dianne and Carl for having us.







**T**HE automobile industry is the twentieth-century miracle maker of business. Thirty years ago it was in the visionary stage, interesting—to the point of actually investing money—only a few bold chance-takers. They planted the seed; it swelled, burst through the ground, and grew like Jack's bean stalk. Today the industry with all its branches has enormous prestige; some economists say that it is the most important business group in America's economic structure.

To investors, its present and future history is keenly interesting, not only because of the effect on motor securities, but because as one writer says,

"At the wheel of the automobile rides America's industrial destiny."

More than 4,500,000 persons were employed in the various automotive industries in 1929—about 10 percent of our working population. According to Standard Statistics, in normal years this group of industries consumes around 18 percent of the country's total output of rolled steel, 85 percent of our rubber imports, 75 percent of our plate glass output, 20 percent of hard-wood lumber output, 25 percent of our aluminum output, 15 percent of the copper we produce, 25 percent of the lead, almost 30 percent of the nickel, and 80 percent of our gasoline.

It is plain from these few figures—which, of course, represent only part of the products used in cars and trucks—that the destiny of the automotive industries is of profound importance to general business. Any notable change in it, for better or for worse, will inevitably affect our level of prosperity. So it is helpful to us as investors to study the present situation and to try to answer the question: Will the demand for automobiles increase as rapidly in the future as it has in the past, or may we expect to see it gradually decline?

From 1922 to 1929 the production of passenger cars and trucks in the United States and Canada rose 115 percent. During the same period the profits of ten leading manufacturers (excluding Ford and General Motors) increased twice as fast as their production. The profits of General Motors increased six times as fast as its production. The wide margin by which profits outstripped production was due, of course, to economies in the cost of manufacture and sale made possible by the huge output.

In analyzing this amazing expansion it is well to remember that during this period a large percentage of the sales was to new owners. Obviously a time will come when the new-purchaser market is a negligible factor in sales, and this is bound to put an end to the

bonanza era of automobile history. Then profits, instead of climbing steeply upward, as they have since the war, will travel up a more gradual slope.

This, according to business analysts who have studied the industry closely, is the outlook for the next few years—a prosperous period, but not a startling one; expanding still, but not so fast as in the past. Sales to replace old cars will become the preponderant part of the total; and increases in profit will depend, as in older industries, more largely on economies in production, on the gradual increase in population, and the gradual rise in wealth and in our standard of living.

#### Free Investors' Service

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Is the rate at which people replace their cars likely to fall off? At present there seems to be no reason to think so. We are converted to motor travel. We like it, and as a nation we want more than merely a car that goes. We want one that has style, one that includes the latest inventions for comfort and safety, one that is unmarred by the vicissitudes of the road. So as long as we can afford it, we are likely to trade in the old car, which may still have many good miles of travel in it, for a new one that looks better and travels faster.

It is true that, in the past, replacements have been tremendously stimulated by fundamental inventions. The self-starter resulted in the junking of many a car that had to be cranked. When balloon tires came in, cars not equipped with them soon seemed intolerably uncomfortable—not to mention looking frumpy. However, cars are still far from perfect and the improvements of the future may help replacement demand as much as these past inventions did.

Altogether the prospect for the next few years is a cheerful one. But the industry has one unpleasant characteristic which it is likely to carry over from its wild youth into the calmer years ahead. It is subject to violent fluctuations. Looking back at the record since 1922 we find that the usual course is two years of rising activity followed by one year of slump. The peaks are high, and the canyons are deep, and only the agile speculator, skilled at getting in at the bottom and selling out at the top, can avoid some disappointing periods. For this reason motor stocks are not suitable investments for the conservative investor who buys for a long pull and dislikes eternal watchfulness. Those who do buy them should choose only the strongest companies, able to get through a bad year nicely and to stand the loss if for some reason the public does not favor the current model of a particular car.

The gloomy records of 1930 offer one further suggestion. In that year of depression the lowest priced cars suffered the least decline in sales, and the highest priced cars were next. The middle-priced models had the greatest decline—the cars next above the lowest in pricemaking the worst record. Only companies in strong financial condition, making cars that come in the least vulnerable classes, are worthy of consideration for the average investor.

Those who are using the industry as a business barometer will find that there is no evidence that it has yet passed the peak of its profits. On the contrary, there is little doubt that the coming years will see new records made.

## Automobiles And Investments

By  
Ruth Boyle

## **ANNUAL TRIP TO LAPLACE TO VISIT BOBBIE & VIC ZAIDAIN**

The club met at M.A. Green Shopping Center with three Model As, Paulo Cassanova and son Paulo drove their truck, Angelo Ricca had his Fordor leatherback and Ray & Toni in their limo. Brad Persons' car did not make the trip due to a leaking radiator. The caravan made a wrong turn on the way but was directed to the destination and all arrived. I (Ken Falanga) rode with Angelo, Steve Willy showed up along with Barbara & Hall Townsend and Vic Cavallo.

Vic & Bobbie Zaidain, our hosts, were there and laid out a spread of food that was enough for multiples of our group. Bobbie's potato salad alone was worth the trip! I forgot my folding chairs, but the hosts had set up a long table and had plenty of chairs. It reminded one of Michelangelo's "Last Supper" so I was careful to sit in the middle knowing the ultimate fate of the fellow depicted in the center of the painting.

The club gorged themselves to the limit. Some of the guys played horseshoes. I am not aware of the final score or even the rules but no one scored a ringer on the antenna of a car parked at the end of the field although as an onlooker it appeared many tries were attempted at this feat.

It was a fine day and well spent with our boon companions. To my knowledge, nobody broke down! Many thanks to our hosts for a great outing. Looking forward to the one coming in 2020.

(My thanks to Ken and Paulo III for this story and photos!)  
Paulo's pickup next page and Vic, Ken & Angelo check things





