Diesel engines from Lake Constance

When BMW nearly bought Maybach

"Franz-Josef Popp will be in Friedrichshafen tomorrow and Friday," noted the secretary to the chairman of BMW's Supervisory Board, Emil Georg von Stauss, in May 1933. The documents show that it was not the mild spring weather or the apple blossom that drew BMW's managing director to the shores of Lake Constance. No, he was paying a call on Maybach Motorenbau GmbH.

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The company with the double M in its logo was founded in 1909 by Wilhelm Maybach and Count Ferdinand Zeppelin in the town of Bissingen an der Enz as "Luftfahrzeug-Motoren GmbH". Zeppelin needed reliable and high-performance engines for his airships and hoped that in Maybach he had found the right designer. Zeppelin himself provided the start-up capital for the business.

Wilhelm Maybach brought plenty of relevant experience with him. Together with Gottlieb Daimler he had designed the first fast-running petrol engine and played a key part in the development of the first motor cars in Daimler's workshops. A few years later, however, Maybach resigned from Daimler-Motoren-Gesellschaft (DMG). His design ideas no longer chimed with the vision of Paul Daimler, son of the firm's founder and now DMG's chief development engineer.

Thus Count Zeppelin's proposal came at a very opportune moment for Maybach. Joining him in the move from Stuttgart to Bissingen was his son Karl, who was also devoting himself to the design of engines for airships. Very soon Wilhelm handed over the running of the business to his son, who in 1912 renamed the company Maybach Motoren GmbH and moved the plant to Friedrichshafen on Lake Constance, where Zeppelin's airships were built. The engines from Maybach's workshops not only drove airships but also aircraft and high-speed launches. Very soon he settled on diesel technology and the engine format of a 6-cylinder in-line unit, which by virtue of its smooth running soon established itself as the standard for aero-engines. It was not long before the engines from Friedrichshafen earned themselves a good reputation and were considered the technological leaders in many fields. For example, Maybach was the first company in Germany to test the design of a high-compression, over-square engine for high altitudes. This concept was adopted in 1917 by Max Friz for his aero-engine, which, under the name BMW IIIa, was to create a sensation as the first product launched by Bayerische Motoren Werke.

In the First World War, Maybach engines were used to drive Zeppelins, aircraft and high-speed naval launches. When the war ended orders initially dried up after the Treaty of Versailles banned Germany from producing aircraft and their components. Maybach switched to the manufacture of high-specification engines for cars and railway locomotives, among which was again a diesel engine with an output of 150 hp. Maybach had hoped that quite a number of automobile producers would buy his engines to build into their own vehicles. But since demand was below expectation, Karl Maybach decided to design his own car. The vehicle he launched at the Berlin Motor Show in 1921 attracted a great deal of attention – both for its modern technology and for its luxury. As well as the generously proportioned 6-cylinder engine, people were impressed by the highly advanced gearbox. It made driving a great deal easier and is regarded today as the forerunner of the automatic gearbox. The car designated the W3 had fulfilled Maybach's claim that it could offer the best car in technical terms to meet the highest customer demands.

In the years that followed, Maybach introduced further models in the luxury class. With those of Daimler-Benz, his automobiles were considered the most exclusive on the German market. The car that particularly matched this description was the 12-cylinder "Zeppelin" model launched in 1930. At the time it was the most expensive car in Germany. Priced at about 50,000 reichsmarks, it cost as much as 20 of the first BMW car, the small BMW 3/15 PS manufactured from 1928 onward. In addition to its cars, from the mid-1920s Maybach returned to manufacturing engines for aircraft and airships, as well as for trucks and buses. Furthermore, a number of German car makers were using the excellent Maybach gearboxes.

The stock market crash in October 1929 and the economic depression that followed had a shattering effect on the company in Friedrichshafen, as on so many others. Orders for cars, engines and gearboxes slumped. In the financial year 1929 the company was already 1.3 million reichsmarks in the red. From 1925 to 1931 the losses totalled some 4.1 million reichsmarks. In 1932,

Above | Two Maybach speedboats giving a demonstration off the lakeside promenade at Friedrichshafen in 1930.

for the first time in years, the management succeeded in more or less breaking even. But it seemed that, given their highly specialised and over-exclusive output, a return to healthy trading from their own resources could only be achieved with difficulty. Support from an industrial partner was the only way to guarantee a sustainable future in the long term. And for this Bayerische Motoren Werke was a possible candidate.

In the spring of 1933, the Munich-based corporation BMW AG was facing great challenges. Shortly after Hitler's appointment as Reich Chancellor, the new regime had set up a Reich Ministry of Aviation under the leadership of Hermann Göring. His most important task was to build up a powerful air force, the Luftwaffe. As a leading supplier of aero-engines, BMW AG represented an important element in the Ministry's plans. With its BMW VI the company offered a tried and tested liquid-cooled engine. What is more, in 1928 Franz Josef Popp had acquired a licence to manufacture an American air-cooled engine. However, the Nazis' rearmament plans required a rapid expansion of BMW's production programme, which immediately necessitated greater research and development capacity. Specifically, the entry into diesel technology represented a promising new avenue for BMW's aero-engine division. Early trials had already been carried out in Munich to study the fuel injection and combustion processes. But whereas the Munich engineers would first have had to laboriously work up their knowledge in this field, Maybach had been gathering experience in building diesel engines since 1909.

That is why, on 18 May 1933, BMW's managing director Franz Josef Popp drove to Friedrichshafen to take a look at the development workshops and manufacturing plant of Maybach Motorenbau GmbH. Preliminary discussions had already been held prior to the visit. On 10 May 1933 Max H. Schmid, a member of BMW's Supervisory Board and for many years an advisor to Maybach, reported in writing to the chairman of the BMW board, Emil Georg von Stauss, on the essential outcome of these initial talks.

From Schmid's report it emerges that he had already spoken to Karl Maybach and his senior management. Schmid had even worked out a purchase price: he arrived at a figure of some 2 million reichsmarks for the takeover of all tangible and intangible assets, including the plant, the company's name and marques, as well as all its patents and "know-how", by which he probably meant the staff. From Maybach's production programme Schmid picked out chiefly the fast-running diesel engines. These and the patented Maybach "high-speed gearbox", which was also fitted in vehicles not built by Maybach, would in Schmid's view make a "suitable and valuable" addition to BMW's product range. However, in a takeover, the petrol engines "and the famous Maybach motor car itself" would be of less interest to BMW.

Since the purchase in 1928 of the Eisenach vehicle factory, BMW had also been a motor manufacturer, though at first it only produced small cars. Between those modest vehicles and the big Maybach saloons there would have been a yawning gap in the range. Furthermore, it seemed doubtful whether the luxury motor cars would have proved profitable in the medium term.

However, Maybach vehicles certainly featured in the deliberations of the Supervisory Board. Schmid stressed to von

Stauss that the luxury Maybach models would represent competition for Daimler-Benz. This fact came as no surprise to von Stauss, who was chairman of both the BMW Supervisory Board and that of Daimler-Benz. However, it is possible that von Stauss was unaware that Maybach, as Schmid also reported, was thinking of expanding its own range with the addition of a "mid-market" car. With these plans, Maybach posed a threat to the success of Daimler-Benz' new mid-range models, which had been launched in 1933. Schmid made the point that "it would be easier, from Daimler-Benz' point of view as well, to curb these threats" if BMW were to buy the company. After all, Bayerische Motoren Werke and Daimler-Benz had been linked since 1926 by contracts of mutual interest and friendship.

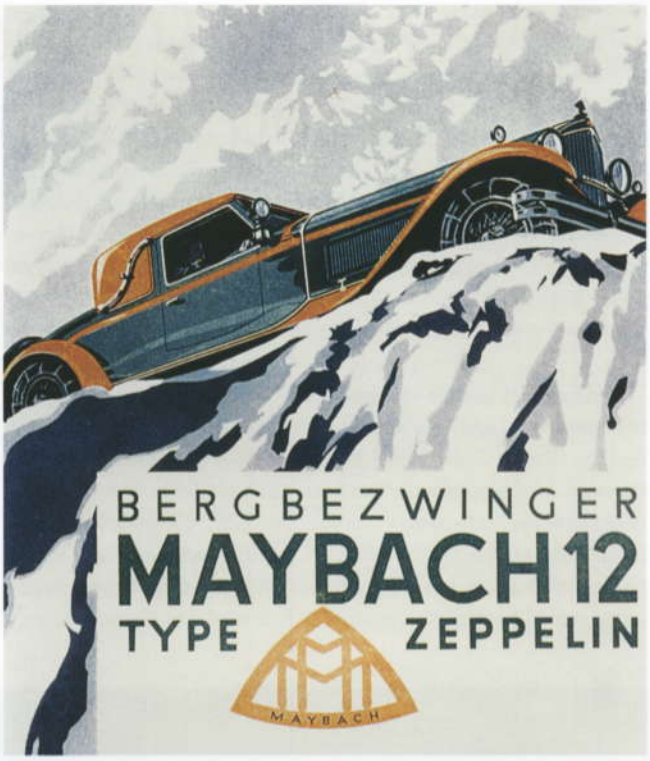
It was not least for that reason that Schmid's proposals appear to have convinced von Stauss. He instructed Popp, BMW's managing director, to drive to Friedrichshafen and get a picture of the business for himself. In the week following his visit Popp travelled to Berlin and gave von Stauss and Schmid a report on what he had seen. Sadly, no records of this have survived, but the results seem to have been extremely positive.

In June 1933 Popp disclosed the detailed plans for BMW in a letter to Göring's number two in the Ministry of Aviation, Erhard Milch. Under the heading "Strengthening of our aero-engine production with regard to the present situation and imminent needs", Popp explained that, as he saw it, there were two possible ways to accelerate the development work on BMW aero-engines and catch up with Britain and the USA. Either the laboratories and the design and test departments at the Munich plant had to be expanded, or BMW could buy in the necessary capacity. The first option had the advantage of concentrating development in one place, but it would mean investing a lot of time and money. The second solution, on the other hand, would offer the opportunity of making more rapid progress in development work through close cooperation. Popp's letter went on to say that the acquisition of Maybach Motorenbau GmbH would be the ideal way of supplementing BMW's experience and facilities:

"a) because of Maybach's first-class research and test facilities,
b) because of their general experience in the diesel field
c) because of Dr Maybach himself, whose knowledge and ability I rate as an exceptional asset in any collaboration on our aero-engine construction."

However, Popp hastened to add that he would not take any steps without the consent of their most important customer, the Reich Ministry of Aviation, and asked Milch for his opinion.

Popp's letter had far-reaching consequences for the plans to take over Maybach. The first thing Milch did was approach BMW's Supervisory Board chairman von Stauss in Berlin about the matter, mentioning Popp's letter, which Stauss had no knowledge of. In some irritation von Stauss asked Popp to "kindly send him a copy immediately". There were further discussions and finally Milch consulted Göring, whereupon a stop was put to the plans. The Ministry feared that BMW would get bogged down in aero-engine development. Furthermore, the integration of Maybach would throw up a series of problems, which might initially have the effect of hampering BMW's progress. From the Ministry's point of view, priority had to be given to design work on the big water-cooled engines. The application of the diesel principle in aero-engine construction was, of course, an important task, but it could just as well be taken forward by another company as by BMW. The



Above | Poster for Maybach's luxury "Zeppelin" coupé, described as a "mountain tamer", 1930.

Below | At the time a symbol of modern engine technology: a 12-cylinder diesel engine built by Maybach Motoren Werke, 1930.

Munich company, declared the Ministry, would do better to concentrate on the agreed development contracts. To draw a line under things, Air Minister Göring ordered the following statement to be issued: "The moment for such a merger or takeover of Maybach has not yet come."

After this word from the mighty minister, the plans to take over Maybach disappeared into the bottom drawer. BMW continued to expand its research and development departments in Munich, while the Friedrichshafen company remained a subsidiary of Luftschiffbau GmbH. Assisted by government rearmament contracts, Maybach continued for some years to enjoy greater commercial success as an independent business. ■