

**GREED AND THE GNX: BIG BUCKS FOR A BUICK
THE SECRET OF THE WHITE-HOT SUZUKI**

September 28, 1987
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FAKE?

**The government cracks down
on car restorers and
reproduction parts**

1967 Corvette
Sting Ray L71



PARTS ARE PARTS —OR ARE THEY?

Law enforcement officials and automakers are getting tough with those who make and sell counterfeit replacement parts

By John Matras

On June 24, 1987, four agents of the Pennsylvania Bureau of Criminal Investigation and the Philadelphia police arrested Dr. Murrell F. Dobbins on charges of forgery and conspiracy. It was, according to a press release from the Office of the Attorney General of Pennsylvania, a part of a crackdown on "a nationwide supply network for counterfeit vehicle identification labels used by auto thieves and chop-shop operators." Along with Dobbins, three printers who allegedly supplied decals to Dobbins' firm, M.F. Dobbins of Glenside, Pa., were also arrested.

At the same time, the FBI raided 14 other locations, primarily suppliers of decals and reproduction parts, from information gathered in a raid a year earlier at Dobbins' business when 68,000 items with a retail value of \$250,000 were seized by Pennsylvania authorities.

According to the state's attorney general's office, "through the use of bogus vehicle-identification materials, auto thieves and chop-shop operators are able to resell stolen vehicles and parts without fear that they will be identified as stolen." In addition, "counterfeit materials also are used to artificially inflate the value of antique and 'classic' cars by making extensively reconstructed cars appear to be original, to pass off counterfeit vehicle parts as genuine and to provide 'gray market' imported vehicles with labels falsely indicating that they meet U.S. emission standards."



Werner Meyer of Farmington Hills, Mich., remanufactured parts to restore his Corvette to show car status

It was a move that shocked the old car hobby, which saw in the action the potential of the drying up of its source of reproduction parts.

In addition to vehicle identification items, the FBI also seized reproduction decals bearing logos and trademarks of General Motors and other automakers. One vendor reported that even Hudson and Studebaker labels were taken. Hobbyists rely on such

reproduction parts to create the like-new appearance of a 100-point restoration.

Dobbins, a former University of Pennsylvania professor, said, however, that it was never his intent to aid in auto theft or provide materials to help thieves. He pointed out in an interview that he did not sell vehicle identification number (VIN) labels or trim tags (embossed aluminum tags stating exterior color and trim information), nor to

his knowledge were his labels connected to any stolen cars. Robert Gentzel, press secretary for the Pennsylvania attorney general's office, said that he was not aware of any stolen cars connected with Dobbins or with any of the other locations the FBI raided. Dobbins said he did sell "certification stickers," the mylar labels indicating date of manufacture and emission certification, and other sticker and paper labels, including such things as Frigidaire labels for air conditioner compressors. Had he known he was violating the law, he said, he would have stopped.

Dobbins sees himself as an easy mark, not a master criminal. A Corvette enthusiast and author of two Corvette books, Dobbins said he started his business in 1972 to make items hobbyists need but that GM no longer made, and claimed to be the first to do so. Since then, he said, General Motors has never approached him with a cease and desist order and even GM engineers have bought parts from him.

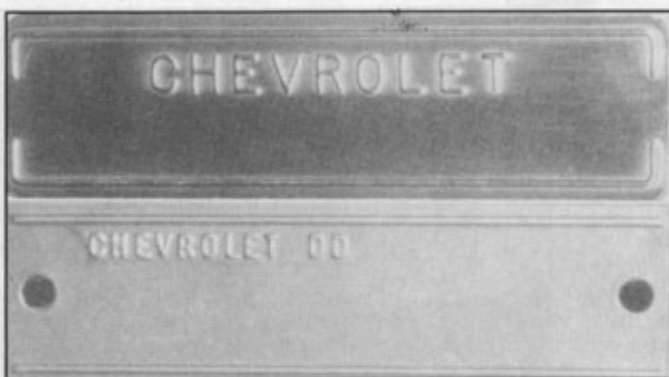
Other reproduction parts vendors expressed similar surprise at the raids. Bill Clement, owner of Chevy Craft, a Lubbock, Texas, restorer and seller of used, reconditioned and "repro" parts for 1950-1970 Chevrolets, says he got approval to sell his parts through a friend who is a captain in the Texas Department of Public Safety.

"Now, of course, state law and federal law are two completely different things. I come to find out," says Clement after some 20 FBI and deputized local agents searched his business and home for four hours. "They were very polite, very professional, very courteous, didn't leave anything messed up at all." But he remembers thinking, "you've stopped at the wrong place, you're after the wrong guy."

Clement estimates the value of the items the FBI seized at \$20-30,000, including "any printed material that said 'GM Mark of Excellence' or 'Chevrolet' or (had) the 'bowtie'." Seized also were blank reproduction Chevrolet VIN tags, warranty books and equipment labels. Federal agents also took Clement's engine block stamps, the loss of which Clement calls "cataclysmic."

Says Clement, "To restore these old cars properly you have to have the correct font to stamp these blocks with. You know its real unusual to get an old Chevrolet that's still got the original motor in it, and when a customer says he wants his car restored he doesn't mean everything but the engine."

Clement defends the sale of blank VIN tags, stating that the purpose is not to deceive but to allow restorers to make a completely authentic restoration. For example, in some states auto salvage yards must sur-



The right pedigree commands the right price. Some of the things that can make that happen: adding a new VIN tag (above), changing the engine block number (right), applying the right labels (below)



Vicki Bucknel photo

render titles and VIN tags when they receive cars. States will issue titles and VIN tags for cars restored from junk but, says Clement, "a lot of these guys who do these high dollar restorations, they can't bear that state VIN tag because it corrupts the authenticity of the car, even though you and I



Vicki Bucknel photo

both know it doesn't." Clement says that he sent purchasers of the blank VIN tags instructions on how to use them legally. Catalog prices for blank VIN tags from Chevy Craft were \$125 (Corvette, \$150), dealer discount available. Trim tags, stamped to order to desired style, body number, trim code, paint code and accessories, sold for \$150.

Clement's opinion on VIN tags and trim tags is not universally shared, even among other dealers raided by the FBI. Linda Lehman, owner of Specialized Investment Motor Corp. of Napoleon, Ohio, believes that "that maybe is altering a vehicle. If you look at the people who restore, some say that's OK, but I've never agreed with it. It's dangerous. It does invite, in my opinion, people to do illegal things." Specialized Investment

buys and sells 1967 and older Corvettes and reproduces obsolete Corvette parts (including the "GM Mark of Excellence" door jamb labels and Delco tags for generators and distributors, which were seized along with decals purchased from M.F. Dobbins).

Zip Products, Mechanicsville, Va., sells reproduction parts for Corvettes and is one of the largest retailers of restoration decals such as air cleaner stickers and air pressure labels, which the FBI seized, but does not deal in VIN tags or other identity type labels. Wayne Walker, Zip's owner, says selling VIN tags is not "a legitimate thing to do. I don't think it's a rightful thing to do, because then it causes deception and fraud. If a car has lost its VIN tag, then it's lost it. I think that the people who made those things were only tempting the law." On the matter of trim tags, Walker has mixed feelings. "I'm not sure what (changing a trim tag) does to anybody. If you had a red car and you wanted it black and you changed the trim tag to say that it was black, who did you hurt?"

But according to James Hinshaw, owner of James Hinshaw Reconditioning, a small retailer and restorer in Burlington, N.C., specializing in Chevilles and Monte Carlos, "trying to change a car from what one is to make it something else is not really right. You're taking away from the value of the car originally. There's a lot of guys out there—I sell parts to some—that change them...but there's nothing I can do about that." Hinshaw has a one word explanation for changing a car's identity: "Greed. One car is worth more than another car if it's the right kind of car." He told of a 1972 Chevelle that had been passed off as a

Restorer James Hinshaw: 'One car is worth more than another car if it's the right kind'

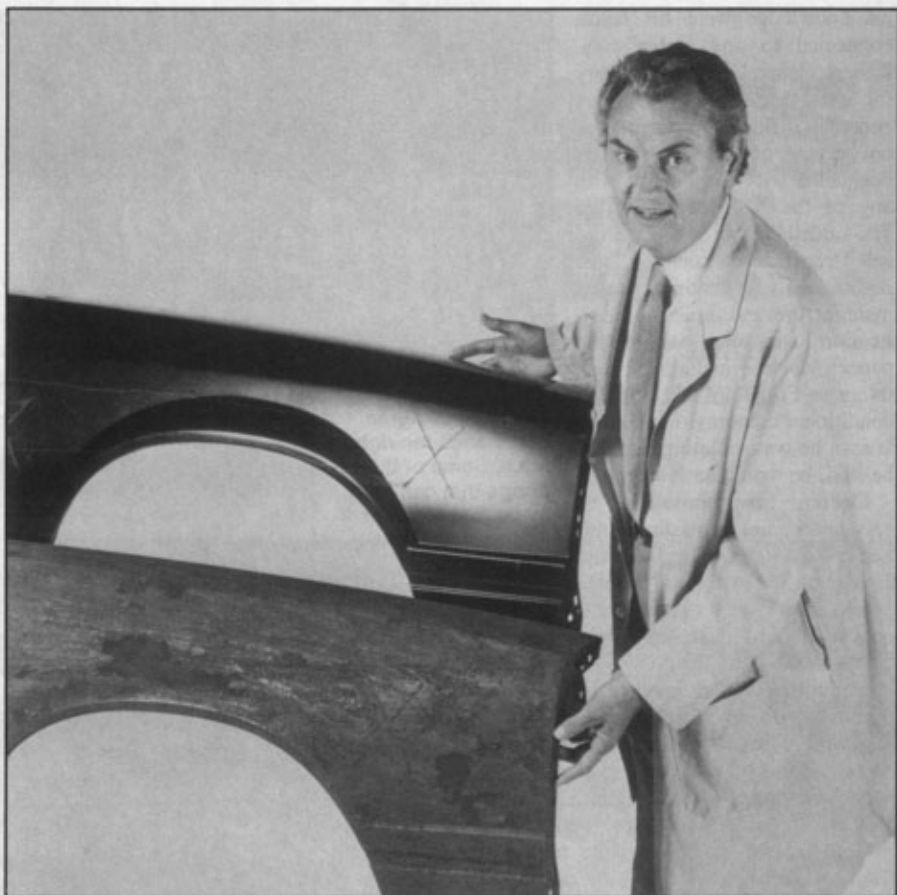
1970 Chevelle SS LS6. It made what was at best a \$3000 car into what was at worst an \$8000 or \$9000 car. "The cowl tag had been changed on that car. See what I'm saying? All it does is hurt people on down the line by changing the cowl tag and the VIN tag, and the title."

Of course, opinions are moot if it's against the law, and under federal law, "Whoever buys, receives, possesses, or obtains control of, with intent to sell or otherwise dispose of, a motor vehicle part, knowing that an identification number for such motor vehicle or part has been removed, obliterated, tampered with, or altered, shall be fined not more than \$20,000 or imprisoned not more than 10 years, or both," with, naturally, several exceptions, which don't really apply here. It would seem that violation of the law hinges on "intent to dispose," that apparently one could alter a serial number if there was no intent to sell. That, though, would be a matter for the courts to decide.

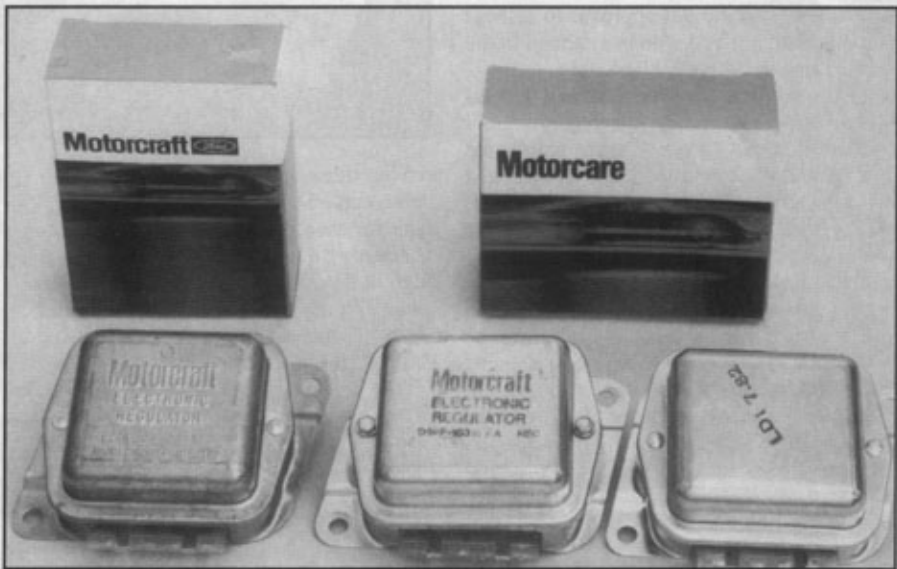
However, a second problem for VIN tag vendors and sellers of reproduction decals and labels exists in what's called "trafficking in counterfeit goods or services." Essentially, the owner of a trademark has exclusive right to that trademark, and selling a decal with a corporate logo on it is a direct violation of trademark rights. The maximum penalties are monetarily much more severe—though the potential prison term is less—than for altering VIN numbers: a fine of not more than \$250,000 or imprisonment of five years for individuals and \$1,000,000 for "other than an individual." Repeat offenders receive even harsher penalties.

The problem is that VIN tags, as well as many repro decals and labels and some parts, do have corporate logos on them. For the most part, GM, Ford and Chrysler aren't overly concerned with hobbyist oriented reproduction decals, which on the surface, as one factory rep put it, "seems to be harmless." As one said, "We realize there's a lot of that going on, but we don't want to come down hard on them. We did a survey. We know that restorers are our biggest fans."

However all three manufacturers are fighting an ongoing war against large scale production of counterfeit parts, and each has horror stories to tell. Ford has filed suit over imported auto body replacement parts purported to be "OEM (original equipment manufacturer) quality" that, in Ford's opinion, fall far short. Chrysler spokesman Dennis Lopez tells of 12,000 pistons, falsely claimed to be genuine Mopar parts, sold to the U.S. government for use in battlefield vehicles; the pistons had pores as big as matchheads. Talk about safety hazards: There's nothing like having your engine quit when someone's shooting at you. GM's counter-counterfeit campaign began three and a half years ago when a shipment of engines



A problem with non-factory replacement parts is they may not hold up as well as real thing



Bogus boxes (right) look similar to the factory item (left), can fool unwary parts buyers

bound for Saudi Arabia was found to consist of bogus rebuilt units rather than genuine new ones. GM has since seized \$13.8 million worth of counterfeit parts.

GM cooperated with the FBI on the June 24 raids by providing representatives to help determine if goods were counterfeit. GM did not initiate the investigation, which arose from information gained in the first raid on Dobbins. Normally, in a counterfeit case begun by GM, U.S. marshals will stage the

raids and GM has the option of pursuing civil or criminal remedies. If the transgression is relatively minor, GM will seek—and generally be granted—a cease and desist order, but, if the facts warrant, GM will bring a civil suit for damages or press criminal charges against the offender. The FBI's involvement means that those raided face possible criminal charges, and GM is able to seek civil damages as well.

While at first blush the production of ob-



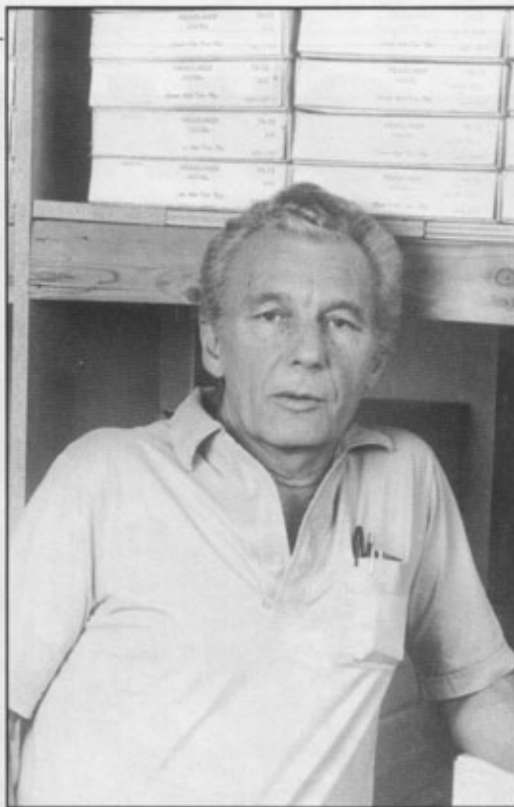
Jim Clary (right), partner in Classic Auto Trim, doesn't claim his parts (above) are original, but worries he could run afoul of law because of logos on some items

sole decal and parts appears to be relatively innocuous (after all, these firms are not competing with GM or any other manufacturer but rather are filling a need by making parts the manufacturers no longer produce), the automakers have reason to be concerned. First, they have trademarks to protect. Every business school student knows how Bayer lost "aspirin" as a trademark by not defending it with sufficient vigor. Then there's the issue of product liability. Certainly a company doesn't want its logo on an unsafe part, particularly one produced by someone else. The definitive answer to the question of liability for injuries due to counterfeit parts probably hasn't been given by the courts yet, nor is there likely to be a company eager to be point man in

such a case. And finally there's the simple matter of misrepresentation: If the part says it's Delco, then the buyer should be able to rely on that representation as fact.

The head of a major collector car association put it this way: "If someone were going to produce (trademarked) items, he needed to go to the (manufacturer) first and get it licensed and do it right. And in a number of these cases people didn't do that."

However, Ford doesn't provide for licensing for reproduction parts, according



to spokesman Chuck Snearly, although Ford would have no problem "if they don't use the Ford logo or misrepresent the parts" as being authentic Ford items. Chrysler doesn't have licensing either, says Lopez, nor does it plan to. GM does have a licensing program, however, and prospective licensees must apply to GM Trademark Counsel, General Motors Legal Staff, 3031 W. Grand Blvd., Box 33122, Detroit, Michigan 48232.

Of course, GM can always say no, and in general, vendors and parts makers expressed a lack of confidence in being able to obtain a license. "It's their company policy," claims Bill Clement, "to kind of give you the stonewall and tell you to check with their legal department, and you check with (the lawyers) and they tell you you need to check with purchasing; purchasing says, well, you need to get back to engineering and check with them first, then we can check with legal." Linda Lehman said it becomes simply a matter of why bother, they won't give it to you.

At least one manufacturer has obtained a license from GM and that is the Gurdjian Battery Company, Inc., of Union City, Pa. Since 1984, Dr. Ed Gurdjian has produced batteries for GM cars spanning the 1955 through 1967 model years. He brings the same meticulous care to his batteries as he does to his brain surgery: The batteries are authentic right down to model year changes and vent cap styles. They only differ from an original Delco battery in that they come in boxes that says they are an authentic reproduction and the bottoms of the battery cases carry the message that this is not a GM product but is made by the Gurdjian Battery Company.

The problem, says Dr. Gurdjian, is one

Muscling Into the Ranks of the Collectibles

Hot cars of the '60s fetch top dollar, but only if unmodified

It doesn't seem like that long ago, but the muscle cars of the '60s are old enough to vote. And if once upon a time the thing to do with a genuine '60s muscle car was to take off the stock parts, throw them away and put on aftermarket hot rod parts, the thing to do now is to find the old parts and put them back on. The muscle car has become collectible, and the rules of the game say a car that is all original is worth more than one that has been modified.

Randy Delissimo, owner of the Super Stang Shop in Clyde, N.Y., reports that he's doing restorations mostly of drive-trains, bringing them back to stock, while Tony Conover, of Tony Conover Classic Cars of Hanover, Pa., says that most of his muscle car restorations consist of taking the flares off. In either case it represents a peculiar phenomenon: The removal, at a cost, of parts that were installed—at a cost.

Not that hot rodding is dead. A lot of



Being original is no sin for muscle cars

people are still building pro street cars and lesser versions of the genre. But it does mean that the prices of original parts have skyrocketed and parts once thrown away, especially those once thrown away, are fetching astronomical prices. For example, Delissimo quotes the street value of a complete smog setup for a '69 Mustang Cobra Jet at \$1000!

It's time to check those old boxes in the garage. Maybe if you're lucky they weren't sold at the yard sale—or put out with the trash. ■



Automakers seize, destroy counterfeit parts; GM alone has confiscated \$13.8 million worth

that hobbyists have brought on themselves. Serial numbers have become so all-important that altering them has become profitable. He has quit judging concours events, he says, because at the last show he judged 70 to 80 percent of the cars were not au-

thentic, despite having the "correct" serial numbers, tags, and documents. Such is the pressure on collectors. The lure becomes stronger when you add in the economic incentive. The result, as the Shelby American Automobile Club has discovered, is that

plain vanilla cars like base model Mustangs are being converted into more valuable models like GT-350s. In the words of one collector, "There are probably more '57 fuel injected Corvettes running around today than when the General built them."

The answer is there is no easy answer. The restoration of older model cars is clearly in the interest of the car makers and they know it: Their images are boosted by the restored cars. Yet there are hazards as well.

Perhaps a step in the right direction is the formation of a trade organization for manufacturers and vendors of reproduction parts. Incorporation papers were filed with the state of California on August 6 for Cars of the Past, Inc., a nonprofit mutual benefit corporation which hopes to do for the repro parts industry what SEMA (Specialty Equipment Manufacturers Association) did for performance parts.

Formed directly as a result of the June 24 raids, the organization already has over 70 pledged members, according to director Jim Clary. Specifically, the organization hopes to settle differences with the automakers in a friendly manner rather than spending millions in court. They would also like to establish licensing procedures where there are now none and clarify those that already exist. (Clary, a partner in Classic Auto Trim of Anaheim, Calif., learned that headliners his company makes were seized in a raid on a vendor because the boxes they were in bore an automaker's logo. The logo was on the box—but not the product—to make it easier to identify model application. He and his staff spent four frantic days cutting labels off merchandise in their warehouse in case the FBI should raid him). "We're all willing to play by the rules," says Clary. They'd just like to know what the rules are and have some say in making them.

The fate of Dobbins and the others arrested is yet to be decided; as of publication no hearing dates had been set. As for those raided, the FBI investigation continues. Charges may be brought against some or none. Additional raids are possible, although, due to the continuing nature of the investigation, FBI media representative Jim McIntosh declined to comment.

One outcome is already certain, however. Wayne Walker has decided that Zip Products will no longer handle labels or decals. That's the old car hobbyist's loss. And if Detroit's biggest fan, the old car hobbyist, the enthusiast, loses, then so does Detroit.

"Everytime someone gets in a '66 Camaro, a '70 Chevelle, a '66 Chevy II L79...and drives it down the road," says James Hinshaw, "someone sees it and says, 'Man, I want a Chevrolet, I want a Chevrolet, but, well, I can't find this car.' And then an IROC passes right behind (and he's still thinking:) 'I want a Chevrolet, man, I want a Chevrolet.'" ■

Where The FBI Dropped In

The 14 locations raided by federal agents

The following is a list of locations "raided" by agents of the Federal Bureau of Investigation. This means at this time only that preliminary investigation suggests that illegal or criminal activity may have occurred at these sites. No one at these locations has yet been arrested or charged with a crime.

- Chevelle Classics, Inc.
Anaheim, California
- Specialized Component Parts Corp.
aka Specialized Investment Motor Corp.
Napoleon, Ohio
- Hampton's
Downers Grove, Illinois
- D.L. Corvette Supplies
Danville, Indiana
- Chevy Craft
Lubbock, Texas

- Mainly Vettes
aka The General's Store
Lansing, Illinois
- Kevin Mackay
Valley Stream, New York
- Year One, Inc.
Tucker, Georgia
- Jim Osborne Reproductions
Lawrenceville, Georgia
- Dave and Lisa Graham
Orange, California
- Zip Products
Mechanicsville, Virginia
- James Hinshaw Reconditioning
Burlington, North Carolina
- Stan Jones Reproductions
aka All Chevy Decals
Lexington, South Carolina
- Jack Skeuse
Lambertville, New Jersey