



Los Angeles Antique Show

Speech prepared for Mike Kunz, Manager, Mercedes-Benz Classic Center

The Value of Authenticity in Collecting Classic Automobiles

Good evening, I'm Mike Kunz, manager of the Mercedes-Benz Classic Center in Irvine. I want to thank the Los Angeles Antique Show for inviting me to address you today.

And, on behalf of everyone who works at the Classic Center, let me say how gratifying it is to participate in an event that supports arts in disadvantaged public schools.

I'm honored to be giving the kick-off lecture of this prestigious event. And I am especially pleased to speak to a topic so essential to the Classic Center:

The Value of Authenticity in Collecting Classic Automobiles.

The Classic Center's mission is to help preserve the authenticity of our customers' classic Mercedes-Benz models. And so, with every job we do, from basic service and maintenance to full restorations, we help to preserve our company's rich heritage.

I am proud to say, that heritage goes back to the dawn of the automobile age and the first internal-combustion car in 1886. In the world of antique collecting, 1886 might seem like yesterday. But in the car industry, even the 1950s can seem more like another world than another decade.

We define a classic Mercedes-Benz as one that has been out of production for at least 20 years. So, our clientele come to us with quite a variety of automobiles. We can be rebuilding the wood frame of a rare 1930's model and overhauling the fuel injection of a 1970's model. Diversity in technology through the decades is certainly one of the challenges in restoring cars. I'll talk more about that a bit later.

I think there are similarities between restoring antique furniture and automobiles. In both of those cases, the processes and materials used in a restoration affect authenticity. And authenticity -- or lack of it -- certainly affects value.

That means both the intangible value rooted in owner satisfaction and the more concrete monetary value. The difference in value between an authentically restored and incorrectly restored classic automobile can easily exceed the cost difference between doing the job right and doing it wrong.

Whether we are restoring something as rare and esoteric as a 1911 Benz or a more common 1970's sedan, our ultimate goal is to leave no evidence that it had been restored ... in other words, return it to a state that is indistinguishable from new. That means preserving even the perceived flaws that others might correct by over-restoring. So if you remove a wheel and peer into the wheelwell, yes, you may see paint runs – just as you would have when the car was built.

But that is what authenticity is all about – remaining faithful to an original.

(Background on Classic Center)

Some background on the Classic Center should give you a clear picture of how Mercedes-Benz views authenticity in regard to its classic models.

We opened the Classic Center USA in Irvine three years ago. It's the second of its kind – Mercedes opened the original Classic Center in Fellbach, Germany in 1993. Both offer replacement parts for classic Mercedes models. And both offer service, repair and full restoration for classic Mercedes vehicles. We also locate cars for customers and we take cars on consignment.

Mercedes owners have long had access to fine restoration services elsewhere. And many independent shops do an exemplary job. But at the Classic Center, they are assured that their car will be returned to its original, as-built condition. In essence, it will be “factory restored.” I don't think you can get more authentic than that.

At its core, the Classic Center is really an extension of a Mercedes-Benz policy in place since its inception: it's called "service forever." No matter how old your Mercedes-Benz, or how long you own it, we will help you take care of it. This still is unique in the industry.

It takes more than great engineering to keep an automobile operating at its best for many years – and even decades. Without correct replacement parts, any car eventually dies.

When you look at antique restored furniture, you might find that some pieces are incorrect – perhaps correct for the manufacturer, but maybe not the decade. The piece might still be functional, but not accepted as authentic.

For classic cars, authentic factory parts are a cornerstone to authenticity. Whatever the nameplate, a classic car is going to be more valuable if it is restored using factory-original parts. Even high-quality aftermarket parts may not be a 100-percent match in appearance, fit or function.

At the Classic Center, we will use only the correct and exact part. There can be no substitutions. Fortunately for us, Mercedes-Benz prepared for that long ago. Even before the Classic Center, the company had always maintained an enormous supply of genuine replacement parts for models going back decades. A Mercedes dealer could locate and supply the parts to help owners keep their classics authentic. The Classic Center has made that process easier.

I personally benefitted from this amazing parts program years before I worked for Mercedes-Benz. When I was a grad student in Germany in the '80s, I bought a 1964 Mercedes 230 SL sports car. I worked on it myself and was amazed that I could still buy brand-new, original factory replacement parts right from a Mercedes dealer – and reasonably priced.

More typical for many brands of classic cars is that the so-called "new old stock" parts, or N.O.S., have long been depleted. And those that remain are difficult to find and sometimes obscenely expensive to buy. In those cases, owners must rely increasingly on aftermarket reproduction parts.

Because the Mercedes-Benz parts policy was not the norm for the auto industry, not all customers or independent repair shops knew to ask about it. And so many Mercedes owners and repair shops would turn to the aftermarket or even improvise solutions. When you then consider the varying levels of expertise available in the market, the potential for mixed results becomes apparent. Many older cars would fall into a state of disrepair and neglect.

Today, the Classic Center manages supply, demand and availability for 40,000 items, and many are readily available. Most are stored regionally; we maintain some inventory in Irvine, as well. I don't mean to suggest that we have retained every part for every model. That would be impractical and terribly expensive. And I should clarify that the parts we have for a classic car might not necessarily have been made 20, 30, 40 or more years ago. Many can deteriorate over time even with proper storage.

Bringing back discontinued parts if demand warrants is also unusual in this industry – but we work with original suppliers to do just that. These are not knock-offs, because we provide the original blueprints. From the obscure to the common, we can make the new parts better than their forbears through improved manufacturing techniques.

Here's a great example of the obscure: We're preparing to restore a 1911 Benz – we have the blueprints to remake the cylinder head and have remanufactured that part to exact specifications. It will be an official Mercedes-Benz part, so it is not considered a reproduction. It is authentic.

And here's an example of the common: A late-1960's model we recently restored looked like it had just been dealer-prepped for its first-ever retail sale, except for one detail: we had to re-use the car's original reflectors. The U.S.-regulation reflectors were no longer available, and the European reflectors were incorrect for the car. As a result, we were able to make a business case for putting new U.S.-spec reflectors back into production. It's one of those small pieces that can make a big difference in the end product.

So, then how do we define authenticity? Like a piece of furniture, a car is original only once. It is then up to the first and subsequent owners to maintain its condition. Lack of correct service parts or a lack of expertise at replacing them can lead to deterioration and disrepair. Even if the car remains functional and looks good to most eyes, it is no longer original. It is no longer authentic.

Collectors value authenticity in a classic car for the same reasons they value it in the antiques at this show. The tangible and intangible qualities of a classic are diminished if authenticity has been lost. What does the piece represent if it is not authentic? A properly restored classic automobile captures the essence of its time. Deviations from original-spec compromise authenticity and therefore that relationship.

With classic cars or antiques, it takes more than the correct parts to restore authenticity. You have to know, first of all, what authenticity means for a particular model. What was it like when it was new? How was it built? What materials and finishes were used? Answering these questions takes a certain amount of detective work, the right tools and, most important, factory knowledge.

From the early days of their existence, Daimler and Benz went to extraordinary lengths to preserve vehicle data and engineering drawings. That practice continued when they merged to form Mercedes-Benz in 1926. This was very forward-looking thinking.

The result is a vast – and I cannot overemphasize that word – a vast archive of material. This is not some haphazard collection of old files. Rather, it is a truly astounding library of factory information, engineering drawings, photos, marketing materials and much more. It is a carefully detailed chronicle of every model we have ever made. The old materials have been safely scanned and preserved. Methods of maintaining engineering documents and data have certainly improved through the decades!

Especially in the very early years, before mass production, the factory thoroughly documented every car, including its sale, so we can trace the car's history. Unlike antique furniture, we always know exactly the year of manufacture, and often the exact date.

We have data cards for individual vehicles. So, for example, we can tell correct equipment and color for a particular car. We know all the parts that make up a particular car, so we know what we have and what we don't.

Every model was cataloged with assembly line photographs that show us construction techniques and even particular finishes.

In contrast, with many other classic cars today, lack of such factory documentation has caused confusion and even controversy among restorers and collectors. You can get two professional restorers fighting over what is authentic for a particular model. It's understandable when you consider that they might be relying on third-party research material because original factory information no longer exists.

I am reminded of an episode in automotive history that still upsets collectors today. Packard was a great American brand, and like Mercedes-Benz, it had maintained a detailed archive. Toward Packard's demise in the late 1950s, a top executive ordered the archive's destruction. Some loyal employees were able to salvage bits of it, but much history was lost.

It's an interesting counterpoint to our story, because the Studebaker-Packard Corporation had become the U.S. distributor for Mercedes-Benz about the same time. A few of our dealers today were once Packard dealers.

The most important part of this whole equation, though, is the human element. Much of the knowledge and expertise in maintaining and repairing our classic Mercedes models has been passed down through the apprentice program still practiced throughout Germany.

That knowledge and expertise is part of the factory training for our Classic Center technicians. They are qualified to service, repair and restore any classic Mercedes-Benz vehicle. Some very old vehicles do require specialized skills, such as metalworking and woodworking.

(Deconstruction to Determine Authenticity)

To ultimately achieve authenticity, we must first determine what is already authentic about a particular car and what is not.

I think anyone who restores antiques might feel at home watching how we work in the Classic Center. There are similar processes in both disciplines. It starts with a careful deconstruction and inventory of a car. Disassembly is a precise, meticulous process. It's like peeling away the layers of time to get a unique chronicle of the past. Sometimes, we uncover a good, solid life marked by the signs of caring ownership. Other times, we find the consequences of neglect, carelessness and even abuse.

We draw heavily on the factory archives during this stage. So, when we take a car in for restoration, we already have a clear picture of what it should be, a factory baseline to aim for. Clients' cars are often far off the mark. Even cars that look correct on initial inspection can reveal a history of improper maintenance and repair.

Especially with cars from Southern California, we see a lot of aftermarket modifications – wheels, paint, upholstery, audio systems, steering wheels, and of course engine and chassis modifications. Every single thing done to customize a car takes it that much farther away from authenticity.

Here are examples from two vastly different decades:

One of our earliest projects in the Classic Center has also been one of the most demanding. A customer asked us to make his 1936 Mercedes-Benz model mechanically sound but retain the patina of its age. He was so pleased with the results that he returned the car for a full restoration.

Going in, we knew there would be challenges; one being that this particular model has a wood-framed metal body. That was probably the last decade that carmakers used wood as a structural element.

As I told you, we can access tens of thousands of classic Mercedes-Benz parts ... but not new wood frames! What we cannot get, we must make. The work required meticulous removal of rotted sections and fabricating replacements to original factory specifications. We have been doing all the work in-house, and access to factory archives has proven indispensable. Without it, we'd be making only educated guesses.

You must disassemble a car in stages. And as we dug deeper into this one, we could see all the places where incorrect parts had been used. At one point in its life, the car had acquired bumpers from a different model. The incorrect bumpers were attached with incorrect brackets and mounting hardware -- one thing always leads to another. I'm sure you know how that goes.

We located correct bumpers but had to fabricate new brackets. More digging revealed a history of repaints. By consulting the archives, we selected the most plausible original color to recommend to the owner.

More modern cars pose their own challenges. Many cars that are today pampered classics were once daily drivers. We see that in the choice of aftermarket accessories that we must often remove. While restoring a late 1960's model, we had to take out an old alarm system. We pulled out miles of wiring and found haphazard soldering. In fairness to the owner who had the alarm installed long ago, keeping the car in original condition no doubt was less important than just keeping the car.

Then there is what we call a "parts bin" car. I'm sure there is a counterpart in the antique world. Here's what I mean:

Mercedes-Benz cars sold in Europe and in the U.S. have long differed in some details, such as external trim and interior equipment. And some owners still prefer to "Europeanize" an older Mercedes from the 1960's or 1970's. For example, they might replace the U.S.-spec headlights or bumpers with their European counterparts to get a different look. But you can end up with an odd mix that just doesn't look or feel right.

We've seen many cars come in like that, and we even bought one, a late 1960s SL sports car. We bought it because the car was in great condition and the modifications were done well. But just as important, Mercedes-Benz cars are engineered to make such changes fairly easy to reverse. So we can put this car back to its original, authentic condition if the eventual buyer so chooses.

When it comes to safety, we do believe there is some leeway when striving for authenticity. We will install seatbelts in cars that were designed for them but did not originally come so-equipped. Also, we recommend installing modern tires.

We are able to duplicate the classic finishes using a modern water-based paint method. We cannot spray lacquer, so this represents an environmental improvement.

(Challenges)

The example of the wood-framed 1930s car body that I mentioned illustrates one of our biggest challenges: accommodating the evolution of automotive technology.

Airplanes provide a good analogy. Imagine one shop that could restore the 1903 Wright Brothers Flyer and at the same time a jetliner from the '60s or '70s ... not only in appearance, but also in function, and authentic to the way they were built. Within a century of automobiles, the disparity in technology and production techniques is about that wide.

Cars became mechanically more complex after the 1950s and certainly going into the early 1970s. Consider some special examples: The Mercedes-Benz 300 SL sports car of the mid-1950s. The famous "Gullwing" was far more advanced than its contemporaries. It employed specialized construction methods, plus unique mechanical systems and parts not shared with other Mercedes models of the time.

Anything less than a professional restoration on one of these can turn into a mechanical and financial nightmare. But an authentically restored 300 SL, like this one done at the Classic Center, is a sight to behold, exciting to drive and can be worth \$xxx,xxx.

Mercedes-Benz has always been known to debut brand new technology, and this trend accelerated in our top luxury models of the 1960s and 1970s. Properly maintained examples are truly marvels to own, look at and drive. Earlier, though, I had mentioned owners and shops "improvising" service and repair, and this is especially detrimental for these sophisticated models. Restored and maintained correctly, they are sought after by collectors. Inauthentic models, though, can be shunned.

In conclusion ... authenticity in a classic car is not just something to be judged for points in a concours. An authentically maintained or restored classic car is certainly more valuable than a car where authenticity is lacking.

I consider myself fortunate enough to see what might be the ultimate value of an authentically restored classic Mercedes-Benz. I see it in the customer's face when we present the finished car for the first time. The effect is especially powerful when the customer has owned that car from new. In those cases, it is like reuniting old friends. Many customers get emotional.

That's authenticity!

I want to thank you for giving me your time today. I hope you can come visit the Mercedes-Benz Classic Center in Irvine and see our wonderful collection of classic cars.

Now, I'm happy to take your questions.

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