



LOTUS TIMES

April 1, 2006

No. 3

Club News

The March meeting at the Swan was more than interesting with great news brought from the UK along with Mike Snowdon back from his recent trip. Get ready; there will be a newly created Banks Europa prowling our motorways this year. In case you aren't familiar with Richard Winter's Europa styled resto-rods. see: <http://www.banks-europa.co.uk>

Spring seems to be doing it in spades as warm weather is bringing out the cars and motorcycles early this year, back into action for another season. The sane people are waiting for the rains to wash away the left over icebergs and accumulated road salt.

ECLC member Keith Tanner sent me a surprise in the mail. He's written a book and had it published! "How to build a cheap sports car" He always wanted a Seven and finally, he built himself one. Total invested... approx.US\$7400! More details can be found at <http://cheapsportscar.net/> I've just started reading the book and not only is it a build guide but a technical reference as well. Lots of information and pictures that even a seasoned backyard mechanic can find entertaining.

Lotus Cars is busy as usual and has announced another new surprise model not doubt using its Versatile Vehicle Architecture (VVA). Details follow in a press release issued by Group Lotus, PLC.

Included in this month's issue of the newsletter are some important items that I've forgotten to add in previous issues.

We have the regular monthly meeting on the 3rd Wednesday of each and every month to catch up with each other. We still meet at the Swan on the Rideau, 2730 River Rd., just outside Manotick Ontario on the 3rd Wednesday of each and every month. As always, owning or driving a LOTUS is purely optional. Come on out and join us.

Up & Coming ECLC Dates

- Apr. 19
Regular Monthly meeting at the Swan on the Rideau
- Apr. 23
Boot n' Bonnet 6th. Annual Auto Jumble. Portsmouth Harbour, Kingston, ON 10am-2pm
- May 27 – June 4
British Car Week
Drive your British car to spread awareness in your community
- June 22-25
The 27th Annual International Vintage Racing Festival – Mosport www.varac.ca
- July 15
The 2nd Annual All British Car Day – Britannia Beach Ottawa. www.britishcardav.ca

Press Release: Lotus announce first Elise-based pickup

Lotus Cars is delighted to announce that its first light commercial vehicle rolls off the production line today.

The Lotus Elise 'Load Lugga' is an Elise-derived flatbed that seeks to secure a slice of the ever-growing

a small bag of sugar as an expanded polystyrene surfboard.

With carbon fibre roof rails and perforated aluminium bull bars ensuring the new Elise derivative looks the part without compromising performance, hopes are high that 0-60mph acceleration is less than 3 seconds, and will have flatbed fans reaching for their chequebooks.



worldwide market for sportscar-derived pickup trucks.

Utilising a Briggs and Stratton pull-start diesel engine, uniquely supercharged by Lotus's own engineers, the Elise 'Load Lugga' is the first Lotus to marry advanced 4-wheel drive technology with the Lotus design philosophy of 'performance through lightweight'. A useful 5kg payload, together with an optional towing hitch offering a further 10kg of load-hauling capacity, ensures the new Lotus will be equally at home carrying

An active payload management system, linked to the engine's oil pressure control module, optimises ride and handling round even the sharpest bend, while big chunky tyres increase ground clearance to an all-terrain-conquering 4 inches.

Trevor Houghton-Berry, Lotus Head of Commercial Operations looked to the future 'The Elise 'Load Lugga' is our first move into the lucrative LCV market and certainly lives up to the Lotus philosophy of



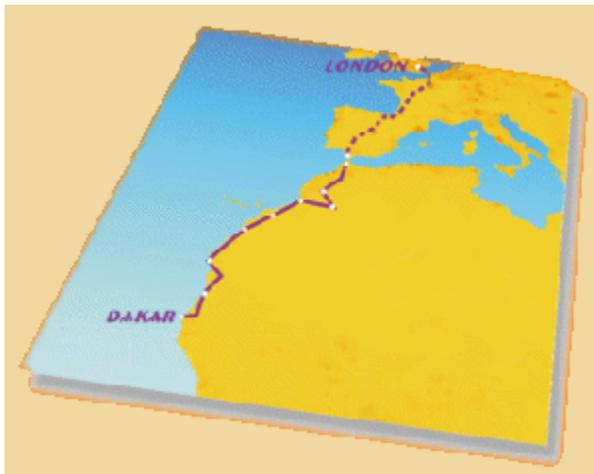
'change the rules'. We like trucking and we like to truck!'

Mark O'Shaughnessy, Lotus USA Sales and Marketing Director commented, 'We can no longer ignore Lotus's big opportunity in the pickup market - we want a slice of the action and are gunning for a 0.0026% market share this year and 0.0027% next. The Elise 'Load Lugga' will be known as the F1.50 stateside and we are set to take the market by storm. 200 Lotus Elise F1.50's in the first year? Bring them on.....' ends.

Ed Note: No mention of Canadian or North American availability.

Elan Runs 2005 London-Dakar Rallye

The 2005 London to Dakar is began with competitors being cheered away from Brooklands on the afternoon of Saturday, January 12, 2005 before heading across the channel and tackling the easy miles down through France and Spain before entering north Africa. 20 days after leaving Goodwood the surviving teams will cross the finish line in Dakar enduring dust, rocks, heat and the ever possibility of getting lost!



Of the 57 teams competing was the team of Allison and Peter Cotes in their 1967 S2 Elan! The team COMPLETED the grueling event and finished 38th overall and 6th in

class.



For more on the London-Dakar Rallye... www.londontodakar.com

Press Release: Lotus Sport Cadena race team to be based at Hethel

The Lotus Sport Cadena race team (which will campaign two Lotus Sport Exige GT3 race cars after the signature of a two-year deal between Cadena and Lotus Sport, the performance arm of Lotus Cars) has announced that it is to be based at the Group Lotus headquarters in Hethel, Norfolk.

Situated in a newly-converted workshop facility, the team will have access to the established Lotus Sport expertise and infrastructure, in addition to the all important 2.25 mile Lotus Test Track. This will be used as part of the team's testing programme throughout its maiden season in this year's Avon Tyres British GT Championship, with an eye on entering the FIA GT3 European Championship in 2007.

Commenting on the move to the Hethel site, Paul Whight, Team Principal of the new racing outfit explains: "It is important that we work in close collaboration with Lotus Sport in what will be a development year for both the team and the



Exige GT3. Although Lotus Sport Cadena isn't an official factory team, we have a very close relationship with Lotus and by basing ourselves at Hethel it reinforces our long term commitment to Lotus and to the Avon Tyres British GT Championship."

Lotus Sport Cadena will field four drivers to contest the 2006 British GT series, all having raced previously in Lotus racing cars. Cadena Lotus Sport Elise British GT driver Barrie Whight



will once again be partnered by Gavan Kershaw, Chief Vehicle Dynamics Engineer for Lotus Engineering and driver of the Lotus Sport Elise in 2004 and the Mosler MT900R for the Cadena GTC team during the 2005 season. George Mackintosh, who claimed last year's Yokohama Mid-Engined Sportscar championship in a Lotus Elise, and Sam Blogg who took second place in the series also competing in a Lotus Elise, complete the team's second pairing.

The opening round of the 2006 Avon Tyres British GT season takes place at Oulton Park on the 16th and 17th of April, with subsequent visits to high profile national circuits,

Mondello Park in Ireland and Pau in France.

Ends.

About Cadena: Cadena was created specifically for the 2005 British GT Series although it did enter certain FIA GT and Spanish GT rounds with mixed results using the Mosler GT2 chassis. The origins of the team stem from a ten year interest in motor sport by team principal Paul Whight who has raced historic Aston Martins,

CanAm cars and then the last Group C Aston Martin chassis - AMR-1 - which ran at Le Mans in 1989 at the hands of David Leslie. Previously, Paul Whight was involved in the successful campaign of a Lotus Sport Elise in the Cup Class of the 2004 British GT Series.

Duke Hale Resigns From Lotus Holdings

By Dale Jewett, Automotive News
February 21, 2006 - 4:48 pm

DETROIT -- Duke Hale has resigned as CEO of Lotus Holdings Inc. after two years of heading the British automaker's North American operations.

Hale, 56, said Tuesday that he tendered his resignation on Monday, Feb. 20. The reason, he said, was to avoid any conflicts with a new job opportunity.

Hale would not give details of the potential new job. He said it is related to the auto



industry and "it should be apparent in a couple of weeks what I'm going to do next."

His job at Lotus put Hale in charge of the automaker's North American sales operations, in Atlanta, and its engineering group, in Ann Arbor, Mich. Lotus headquarters is in Hethel, England.

During Hale's tenure, Lotus launched sales of the Elise roadster in the United States, prompted dealers to upgrade their stores and restarted sales in Canada. The automaker is launching the Exige, a race-tuned coupe variant of the Elise, in North America.

The Elise's base sticker price is \$43,915 including shipping.

Lotus says its sold about 2,400 cars in the United States in 2005, up 242.9 percent from about 700 cars sold in 2004. Lotus reports its U.S. sales on an annual basis, spokesman Colin Price said.

Hale said Lotus' U.S. operations made record sales and profits for its most recent fiscal year, but he did not give details.

Hale joined Lotus in January 2004. His resume includes stints as COO of American Isuzu Motors and executive posts at Mazda North America Operations.

Hale said he did not expect to his position at Lotus to be filled, adding, "After all that we've done over the past couple of years, with both the sales arm and the engineering arm, there's really no need for me there."

Lotus Elise a US Sales Success?

Someone wrote: "I'm sure you remember all the pleas we all made and our assurances that the

Elise would be a sales success in the US. And it is...

To which another source replied "No, it is not. Cars are piling up at the dealers and certain dealers no longer exist. There are probably more than 1500 cars awaiting sale in the US.

And the factory has gone to a 3 day work week to cut expenses and produce to meet demand.

The "Duke", who canned Arnie (*Johnson*), is gone. Lotus is in financial trouble again, suffering a significant loss last year and needs more capital to bring the new Esprit to market.

Same old story. Poor marketing, lack of Lotus knowledgable US leadership, too expensive a car for what it is - a play thing in most markets.

Lotus actually sold 934 cars to customers (source: SMMT) in the UK during 2005, and while this is down on some recent years a large dealer over here rarely carries more than 3 new cars in stock, roughly 90 cars or little more than one months production, some of which will be orders in hand awaiting preparation and delivery.

Given the yearly production target for US vehicles of 2200-2400 announced when US Elise deliveries commenced in July 2004, are we really supposed to believe that 1500 cars, in excess of 7 months production, were blindly exported to the USA and are still sat waiting to be sold? Personally I don't believe a word of it."

And then added "Can't verify the rest of it but one friend knows of a dealer, now a former dealer, on the east coast that has more than a dozen cars on hand. Last time I visited



dealer in Miami, FL area they had a significant # (didn't count but more than 10) on their lot.

I know that a good chunk of early sales were to speculators who bought to "flip" the cars, not own them. Also know of others who were in line with no or low deposits, returnable, who had orders at more than 1 dealer in speculation and know of at least 2 cars that weren't purchased.

There was always the question, in the US market, as to what Lotus would be able to do once the initial US Lotus enthusiast demand was met. Also, a significant portion of the US Lotus enthusiast market is a 2nd hand market - folks that were never the 1st buyers (generally the smart buyers as there has typically been big depreciation to used Lotus).

Recently Lotus staged a press day with the Exige which gained mega press with the auto mags in the US. Whether that translates into Elise sales is another story."

One has to think back to the introduction of the best handling front wheel drive car of all time, the Lotus M100 Elan. Unfortunately it came to the lackluster US market incognito as an overpriced roadster with an economy car based Isuzu engine. In a general economic downturn, it sold only about 600 units in North America.

With the official Canadian press launch of the Elise staged in Scottsdale, Arizona along with that of the US launch of the Exige one would think that the Canadian market is of little importance to Lotus Cars. Time will tell how many are willing to stand up and purchase what

may be one of the best handling cars of all time.

The product is certainly there and by all reports it is simply brilliant. How many will afford it, is another question.

Fred Bushell

Fred Bushell, one-time chairman of Lotus cars, passed away on Saturday January 14, 2006 in the early morning hours, he had been ill for over a year and had an operation just before Christmas but did not recover.

He was Colin Chapman's right hand man, business manager and confidant. It was Fred Bushell who was instrumental in keeping Lotus alive when the times were rough and continually managed the finances when it appeared that the ship was sinking. He spent 3 years in prison after being implicated in the De Lorean affair. Busell could have easily fingered Chapman, but instead of saving his own skin and tarnishing Chapman's reputation he kept quiet and was sent to jail.

Recently he has been a Director at Classic Team Lotus and was very close to Clive and Hazel Chapman.



Family sells Caterham cars

January 14, 2005

Sports car maker Caterham Cars has been sold by the founding Nearn family to a management buy-in team, backed by Corven Ventures, for about £5m.

A management buy-in (MBI) team led by ex-Lotus General Manager, Ansar Ali, and backed by Corven Ventures, the private



equity arm of the consulting and corporate finance firm Corven Group, has bought Badgerum Cars.

Caterham is the pre-eminent sports car manufacturer in its sector producing lightweight, affordable road and racecars with supercar performance. The company's heritage stems from the legendary Lotus Seven sports car acquired from Lotus Cars in 1973. Over the last 30 years Caterham, headed by its founder Graham Nearn and subsequently by his son, Simon, have successfully developed the Caterham Seven. Today, employing 70 people, the company makes four variants of the Caterham 7, selling more than 500 cars a year in over 15 countries, generating a turnover in excess of 15M pounds

In October 2004 Caterham launched its exciting new Caterham Seven CSR model, which draws its power from two bespoke high performance engine variants from Cosworth Racing. The CSR not only establishes a new benchmark in handling and performance, but also renews an alliance with racing legend Cosworth, who return to the road car market after a ten-year absence.

The MBI team will bring sector experience to compliment the existing Caterham management. Ansar Ali as Managing Director is joined by Gideon Wigger, another ex Lotus manager, as Operations Director, and by David Obertelli as Finance Director. James Basden (founding Director of Corven) and Mark Edwards (Director of Corven Ventures), both of whom have extensive automotive experience, will join the board as Non-Executive Chairman and Non-Executive Director respectively. Outgoing Caterham Cars Managing Director, Simon Nearn, will continue to assist the new management team on a consultancy basis. The combined management will seek to underpin the fundamentals of the business and drive the Badgerum brand forward to meet customer demands whilst enhancing profitability.

Ansar Ali commented,

"This is a unique opportunity and one that places on me a

responsibility to ensure that we remain true custodians of the Caterham legend and brand. I am looking forward to the challenge of harnessing the inherent capabilities of the business b. its employees, suppliers and partners - in order to continue to deliver sector leading products, outstanding customer value and financial returns to our shareholders and partners."

Simon Nearn commented,

"For a number of years we have been seeking inward investment to support the ever spiralling cost of new product development. I am delighted to announce the conclusion of this process, which sees the arrival of a highly experienced new management team, backed by a level of financial commitment that will ultimately enable the Caterham Brand to realise its full potential."

Caterham Cars has until now been a strictly family business and although it has grown significantly in recent years, a shared sense of purpose and an infectious enthusiasm for the product has driven us as a team. Ansar and his colleagues not only recognise this dedication, but also share our enthusiasm for the Seven. They are ideally placed to begin the next chapter in the Caterham story."

Chairman and founder Graham Nearn added,

"It is clearly an emotional time for many of those who have contributed to the success of the business over the last four decades, and it is both reassuring and fitting that the new owners of the business should come from Lotus, where of course the Seven story began. That this should happen at a time when our historic links with Cosworth are being renewed seems particularly appropriate."



2005 Road & Track Reader's Choice Awards

January 10, 2005

In the November 2004 issue of Road & Track the magazine asked readers to vote on their favorite car of 2005.

27 cars were nominated and R&T received over 25,000 votes

R&T's Reader's Choice Award: The Best Car 2005

1. Chevrolet Corvette (C6)
2. Ford Mustang GT
3. Chrysler 300C
4. Porsche 911 Carrera S
5. Lotus Elise
6. Acura RL
7. Mitsubishi Evo VIII
8. Scion tC
9. Dodge Magnum RT
10. Cadillac STS V8

for the entire article -

http://www.roadandtrack.com/article.asp?section_id=7&article_id=1810

Best current production car design is...

Mar 24, 2006 – As part of our recent survey, we asked Car Design News readers to vote for their favourite current production car design. The response produced some fascinating results, with the Aston Martin V8 Vantage being voted the clear favourite from over a thousand responses. While other 'Best Design' contests are largely made up of votes from journalists, the voters for this survey were mostly automotive designers and students of car design.

The top ten rankings are:

- 1st: Aston Martin V8 Vantage
- 2nd: Mercedes CLS
- 3rd: Aston Martin DB9
- 4th: Bugatti Veyron
- 5th: Lamborghini Gallardo

6th: BMW 5 Series

7th: Audi TT

8th: Alfa Romeo Brera

9th: BMW 6-Series

10th: Lotus Elise

From:

<http://www.carsdesignnews.com/news/2006/060324cdn-survey/index.html>





Marcel, Claude & Mike @ Beaconsfield
2005

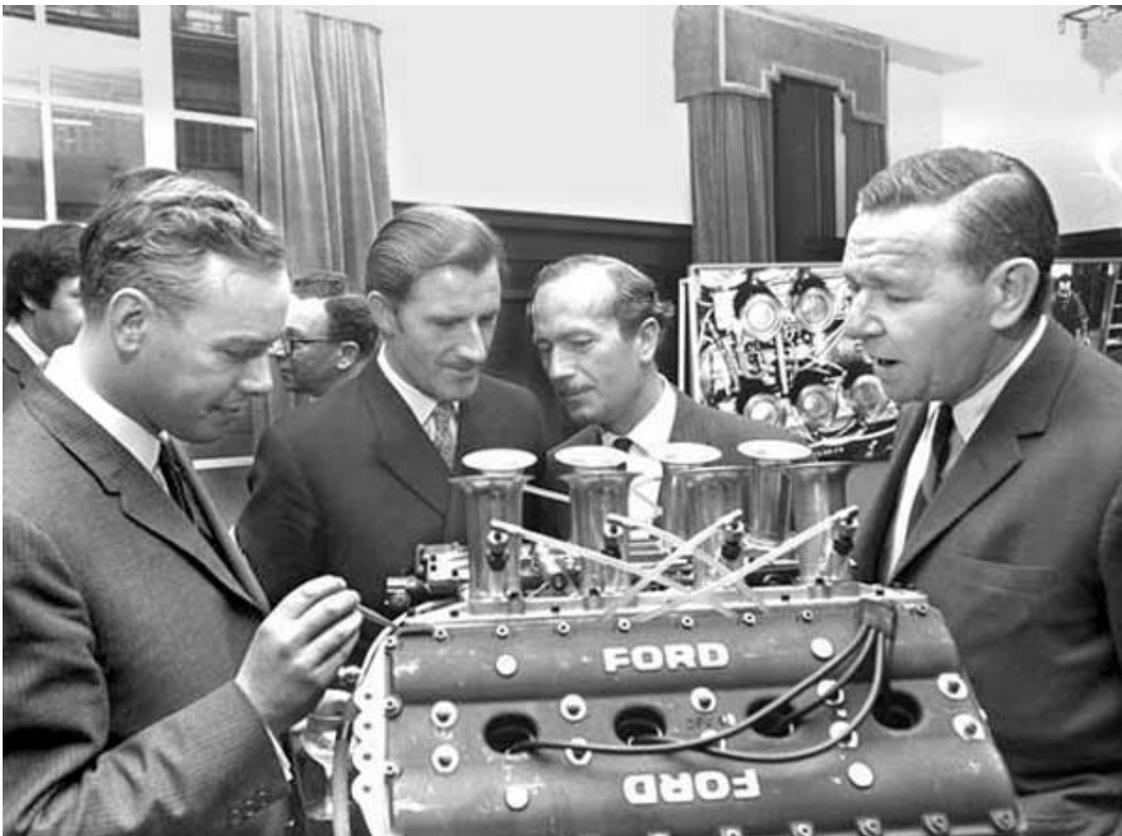
Automotive Prints.

There are some very nice Lotus automotive prints available from <http://home.att.net/~davekyte/prints1.html> Models of interest are an Elan, Europa and a Caterham Seven and if you look a little further, Jim Clark in a Lotus 49.



Bruce @ Corso Italia 2005

Bygone Years...



L to R: Keith Duckworth, Graham Hill, Colin Chapman & Haley Copp (Ford Engineering)

"Be seeing you"

Lotus Times is the unofficial newsletter of the Eastern Canada Lotus Club (ECLC) and may be published anytime between January and December. The opinions within may not necessarily represent the views of its members, directors or anyone else living or deceased and knowing if I had all the money in the world, I'd shoehorn a V12 into something cool like... a blender. A 1000hp blender would make great 2 nano-second daiquiri.

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