

## Harley-Davidson's Oriental Interlude

Alfred Rich Child riding a '36 Knucklehead sidecar outfit in Japan. He made the July, 1936, cover of *The Enthusiast*. Courtesy of the Harley-Davidson Motor Company Archives. Copyright H-D.

By Harry V. Sucher Part III

As Child was importing substantial numbers of Milwaukee-built machines, his own organization received one of the first new 61E models. Child's son, Richard, took this machine on a 400-mile test ride to the south of the main island of Japan, and returned to report the journey as nothing short of a disaster. The engine constantly leaked oil, the OHV rocker mechanism required continual adjustment, and the valve springs remained intact for only limited miles.

In due time, improved examples of the 61E arrived in Japan after the Milwaukee factory's strenuous efforts to make the necessary improvements in its initial production run of some 1,900 machines. Many of these had shown valve gear defects, and were thoroughly tested by Child and his staff regarding their suitability for Japanese application.

It was ultimately decided that the new model was less suited than the venerable side valve models, which possessed more usable power at lesser and more economical engine speeds and were more suitable for sidecar and rear-car applications.

As the result of these conclusions, at a meeting in the Muromachi Sankyo Building, Mr. Fukui and a half dozen of the company's financial backers, together with a group of the auditors, finally decided against any further negotiations with

Milwaukee regarding the obtaining of a license to manufacture the new OHV machines.

As a further development of this discussion, which had become somewhat heated, one of the auditors took it upon himself to send a cable to a Mr. Kusanobu, the New York representative of Sankyo Pharmaceuticals, and suggested that he proceed to Milwaukee to advise them that Sankyo would no longer finance future shipments of Harleys to Japan if Child were to continue as company representative in that country. He was also to emphasize the fact that Sankyo was not at all interested in producing any of the new OHV 61E machines, but would continue to produce at the Shinagawa Plant the well-proved side valve (now UL model) machines which were more suited to Japanese conditions. It was further intimated that these were to be produced under the name "Rikuo," literally translated as "King of the Road."

Kusanobu, acting now as Sankyo's agent, was well chosen as an emissary as he had been born in Canada, educated in the United States, had married a Canadian and was well versed in American business methods as well as being fluent in English. His approach was not well timed, however, and after a stormy meeting during which the founders firmly rejected his proposal, it was reported by a reliable witness that burly young Walter Davidson Jr. (the

son of the late Walter C.) came near to ejecting Kusanobu from the premises.

In the meantime, Child was in continuous communication with Milwaukee and Arthur Davidson over his status with the company, as well as the marketing situation of Milwaukee-built machines. The ultimate decision was that the factory would terminate all its agreements with Sankyo and the Shinagawa operations, and that Child would now head a new sales organization with himself as exclusive agent, with his own sales office, spare parts depot, and shipping arrangements. In addition, and for the first time in Harley-Davidson history, the factory agreed to ship machines and parts on an open account, with payment due 90 days after delivery.

Child immediately established a new headquarters in Tokyo under the name "Nichiman H-D Sales," which was now a distinctly separate organization having no connection with the Japanese manufacturer of native-built Rikuos. At the same moment, Mr. Fukui remained on friendly terms with Child and purchased several hundred sidecar outfits from him during 1936.

As an aside to this rather bizarre reorganization, Child was not offered any financial remuneration from Milwaukee for his efforts in the Sankyo negotiations, no doubt in view of the fact that he had prospered handsomely during the past decade from his original company association.

Child emerged from the new agreement as the exclusive Harley-Davidson sales agent for the whole of Japan, Korea, North China and Manchuria, with access to both the 74 and 80 ci side valve and 61E OHV machines and their associated spare parts. In addition, Fukui, the former Tameike Sales Department Manager, continued to sell Milwaukee machines, which they purchased from Child, to fill out their Rikuo line.

This budding and profitable venture was suddenly terminated, however, when in January 1937 the National Deity, by this time a puppet organization of the newly-emerging militaristic government of Japan, announced that certain import tariffs, motorcycles among them, would increase from 74 yen to 560 yen.

This incredible increase in import duty appeared to have resulted from a previous conference regarding the importation of motorcycles between Child and one Colonel Fujii, who acted as liaison between civilian manufacturers and the military procurement apparatus. Fujii advised Child to dispose of his Japanese assets, terminate his commercial activities, and return to the United States with his family as the earliest possible moment. He was further advised that Colonel Fujii would purchase Child's present stock of machines and spare parts, as well as shipments in transit. As a further means of expediting the liquidation of Child's holdings, Colonel Fujii stated that the purchase could be made with gold U.S. dollars, which at the time were very difficult to export from Japan.

Child's first reaction to this proposal was to refuse. By his own admission he enjoyed life in Japan, had made many friendships, developed a keen interest in Oriental art, and owned three palatial homes located in Yokohama, Kamakura and Karazawa. On the other hand, the new politically-powerfully military regime was in firm control of the government and it was futile to contemplate that they would make any concessions to aid any single individual. He therefore closed out his business and sold his remaining stocks of machines and parts to Colonel Fujii, which included those both on order and en route to Japan.



が設治になるぎずル ループ トラスド フレームに負よ場が大であります。愛柔家は異口間音に、この前型フレームを損失してあます。新様に 1000cc モデルにおきまして、総大な成功を克ち得ました毎に、37年式の1200cc 及 1800cc フウイン モデルにも採用される様になつた であります。この新型フレームは非常に軽率に造られてあますと共に 自動自轉率全體の重心が極めて低いために、接続が一層安易になったものであります。

## 組合せ式計器盤

新ハーレー ダビッドソンの特徴の一つである電燈照明による組合せ式計器盤は元々 1000cc。 モデルのために新考案されたものでありますが、成績のよい認から1987年式の各モデルに採用 される機になったのであります。

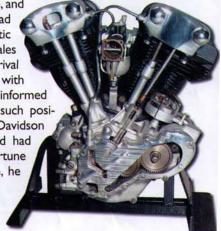


Inside page of the July, 1936, The Enthusiast showing the new Knucklehead. Courtesy of the Harley-Davidson Motor Company Archives. Copyright H-D.

In order to minimize the effect of the termination of his franchise. Child cabled Milwaukee the details of Colonel Fujii's ultimatum, and at the same time requested that they dispatch at once up to 300 more machines in addition to those already on order and en route. The management was justifiably cautious, however, and advised Child to liquidate his holdings now in hand with all dispatch. Child complied, and leaving his wife and children in his home at Karazawa,

sold the Kamakura residence, and set sail for Milwaukee. He had hoped to obtain a domestic position in the Milwaukee Sales Department, but on his arrival and following an interview with Arthur Davidson, he was informed that the company had no such position to offer him. Arthur Davidson further stated that as Child had already amassed a tidy fortune from his Japanese operation, he

A cutaway Knucklehead engine at the AMA Heritage museum.



could scarcely be satisfied with a salaried position with the company which could offer him only a comparatively modest return.

In time Child obtained a position with the Bendix Manufacturing Company of South Bend, Indiana, as their sales representative for North China, on the basis of his wide knowledge and familiarity with general business and marketing conditions in the area.

Due to the militaristic makeup of the new Japanese government, the Sankyo Company was not able to negotiate a new contract with Harley-Davidson for either Japan or Manchuria. The Shinagawa factory continued to manufacture Rikuo machines during the war and shortly thereafter, but production declined greatly after 1946. The company concurrently manufactured naval torpedoes shortly before the attack on Pearl Harbor, some of which were no doubt used against the U.S. Pacific Fleet.

Harley-Davidson's oriental interlude and the complex details involving Milwaukee's connection both with Child and the Rikuo machines was never publicized, either officially or unofficially. Due to the growing apprehension in the United States, both within military and upper echelon government officials, the company no doubt thought it expedient to suppress any details of their connection with the building of Japan's war machine. There are in fact, perhaps only a handful of men living, at this writing, who are conversant with the true facts of the matter.

Child's son, Richard, who assisted him in setting up the Nichiman-Harley-Davidson import agreement in 1935 and 1936, founded the Balcom Trading Company after World War II, with headquarters in Takanawa, Tokyo, and is, at present, the sole importer of Harley-Davidson motorcycles, along with German BMW automobiles. In spite of the present state of world leadership in motorcycle manufacture now enjoyed by Japan, several hundred Milwaukee-built machines are sold in Japan each year.

Child's contribution to the transportation economy of Japan long before any such industries were ever developed in that country and his contribution to the survival of Harley-Davidson during the difficult years of the depression, well deserve to be remembered. According to Child's own records, his organization imported an average of 2,000 machines each year from 1924 through 1936. In addition, several thousand Rikuos were built during the late 1930s. Added to this should be the 800-1,000 machines per year exported to Australia and New Zealand. Thus, the total Japanese and Australian/New Zealand sales formed a very important and vital part of Harley-Davidson's continuing fortunes.

While Child mentions many problems with Harley-Davidson incidental to his import operations, in his reminiscences, he recalls that the management was ever cooperative and, in every case, treated him fairly.

## Rikuo, "King of the Road"

The ultimate fate of the Rikuo, while not strictly a part of Harley-Davidson history, is added here for general interest from information supplied by Charles D. Bohon, a motorcycle journalist who has traveled in Japan.

The Sankyo organization, under the direction of the military government, carried on production of the original VL based model after 1937, which was later designated as the Type 97 Military Model. It was usually built as a sidecar machine with an integral shaft drive to the sidecar wheel. About 18,000 examples were built between 1937 and 1942. In addition, some conventional solo models were built, with optional sidecars. Some of these were made with elongated fuel tanks to increase their range, resulting in a somewhat awkward appearance. Some units were built as rear cars. All of the above were said to have been designed by Sakari.

After the recovery of the Japanese economy in 1950, 750cc

Motorcycles

350 cc
750 cc
1200 cc

RIKUO MOTORCYCLE CO.,LTD.

models were built as copies of Harley's Panhead model. the late 1950s these built were with Harley-Davidson type rear suspension and hydrauforks. They were





Top: Rikuo brochure listing the 750cc RQ and the VFE variations. From the Bruce Linsday collection.

Left: Front cover of the Rikuo brochure. It lists the 350cc single, 750cc and 1200cc twins.



The VFE police model, without all the police accessories. All photos from the Bruce Linsday collection.



Inside the machine shop at the Rikuo factory, circa 1950.

said to have been intended for law enforcement use. Production was limited to 1,500 to 2,000 units per year.

The Kurogane Company, a separate company with no official connection with Rikuo, also built near exact copies of VL models from 1937 through 1945. As this firm was located in Hiroshima, its operation was obliterated by the dropping of the atomic bomb.

The production of all Rikuo type machines ceased after 1959. The late Takashi Moromatsu, one-time member of Japan's Internal Trade Commission, has stated that Richard Child's reactivated Harley-Davidson import program was responsible for Japanese enthusiasts appetite for the Milwaukee-built product.



A few Rikuos parked on a street in postwar Japan. Note the early '50s Chevy in the upper left, with what appears to be an American flag attached to the front bumper.



A warehouse full of the 350cc single model, which was called the AB Glory.

Child decided to reenter the motorcycle business in 1944, traveling to Birmingham, England, where he secured the import rights to the U.S. of all BSA products. This antagonized Harley-Davidson management, as sales of Harleys had slowed as a result of the British motorcycle invasion. Child blamed this on the fact that only brief mention of his Oriental adventure was made in a paragraph in the so-called "official account" produced by Harley-Davidson in book form. Child later wrote an introduction to Harley-Davidson, The Milwaukee Marvel. He retired in 1962 and moved to Las Vegas, Nevada. Alfred Rich Child died peacefully in his sleep at age 94.





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