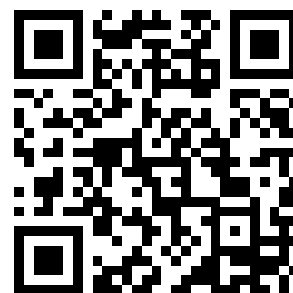

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THE PEUGEOT ORGANISATION

Reported By

Arthur R. Stella,
F.O...-M.E.W.

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14th December 1944.

I - PRELIMINARY REPORT ON THE ACTIVITIES OF THE PEUGEOT
ORGANISATION AT SOCHAUX-MONTBELIARD

1. A team composed of:

Lt.Comdr. R.H. Pagan, USNR.
F/Lt.Brett W.T., A.1.2G.
Colonel V.R. Haugen, U.S.S.T.A.F.
Major C.V. Wilson, U.S.S.T.A.F.

and myself, proceeded the 26th of November to Montbeliard, from where the Usines Peugeot at Sochaux, Audincourt and Valentigney-Beaulieu were visited, several company directors interrogated and documents obtained which are being forwarded by S.H.A.E.F. Documents Section. (A list of these documents is appended to the present report).

2. In addition to the Usines Peugeot, the S.I.B.E.L. wood working plants at Mandeuve and Audincourt were also visited and the managing director interrogated. These works supplied Peugeot at Sochaux with coachwork.

3. The three Peugeot plants visited each belong to a separate group of factories independently managed. Mr. Jean Pierre Peugeot is head of the Sochaux group known as Societe des Automobiles Peugeot; Mr. Rodolphe Peugeot is head of the group known as Peugeot Freres with factories at Audincourt, Valentigney, Herimoncourt, Bourguignon, Pont-de-Roide and St. Simeon (Isere); the third group known as Cycles Peugeot is managed by Mr. Eugene Peugeot and has its works at Valentigney-Beaulieu.

4. The Societe des Automobiles Peugeot is the most important group, from a production point of view, and during the period of occupation was mainly concerned with automobile and aircraft production.

5. The Peugeot Freres group continued their pre-war production of tools and agricultural implements under German rule but apparently adopted a go-slow policy. A detailed report of this firm's war-time activities is to

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be remitted by Mr. Rodolphe Peugeot to Lt. Colonel Brissaud-Desmillet of the French 5th Bureau at Montbéliard to be handed over to SHAEF.

6. The Cycles Peugeot company after operating mainly for French interests until 1943 had to undertake cycle and motor cycle parts subcontracts for Fichtel & Sachs, Zundapp and M.S.U., the latter being made its "God-father" in early 1944.

7. The team as a whole was mainly interested in the activities of the Sochaux works.

8. It can now be said that until mid-1943, production at Sochaux was almost exclusively confined to automobile trucks, M.V. parts and half-track treads. Output of motor vehicles declined rapidly in December 1943 and from then on was carried out from stock. Figures are given in a report to follow.

9. In June 1943, Peugeot-Sochaux was made a "subsidiary" of V.W.W. (Volkswagen-Werke), Fallersleben.

10. The German Aircraft Programme set up in June 1943 by V.W.W., Fallersleben, on behalf of Focke-Wulf Bremen at Sochaux was never carried out. Sub-assemblies for F.W.154 engine cowlings were completed - some in dozens, others in hundreds - and sent to V.W.W. at Fallersleben but were never used. No complete power plant assemblies (minus engines) were actually finished as required.

11. There was an abortive attempt to set up a programme related to V.1 at Peugeot Sochaux in 1943 following a visit by engineers from these works to V.W.W. at Fallersleben in August of that year.

12. During the period of occupation the Sochaux works subcontracted for the following German firms:-

Adler at Frankfurt A/Main
Demag - Wetter
Rheinmetall - Sommerda
M.I.F.A. - Berlin
(Mitteldeutsche Fahrradwerke)

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D.W.M. (Deutsche Waffen u. Mun- itions Fabrik)	-	Borsigwalde
B.M.W.	-	Eisenach
Ford	-	Cologne
Klockner-	-	Ulm
Humboldt-Deutz		
V.W.W. (Volks- wagen-Werke)	-	Fallersleben
F.W. (Focke- Wulf)	-	Bremen
Z.F. (Zahnrad- fabrik)	-	Friedrichshaffen

Details of parts produced for the above firms are given in a report to follow.

13. Detailed information of production at various German firms and the V.W.W. Works Fallersleben in particular has been obtained through the medium of Peugeot Sochaux and Cycles Peugeot. An analysis of this is contained in a report to follow.

14. Each of the Peugeot groups was made by the Germans to sign documents guaranteeing to devote 80/85% of its activities to German interests. Financial returns from the works concerned, however, show that these agreements were never fulfilled.

15. Most of the machinery from the French firms referred to has been shipped towards Germany within the last two months. In the case of Peugeot Sochaux, some ninety per cent of the machines in the works, including the steel foundry, were taken away. Details of this will be handed to S.H.A.E.F. by the Paris branch of that firm (a list of firms having taken machinery from Sochaux is appended to this report).

16. The report to follow only deals incidentally with aircraft production and wood working as these two subjects have been written up separately under the titles:

- (a) Aircraft production activities of the Peugeot Organisation - by Colonel Haugen and F/Lt. Brett.
- (b) Production and use of special woods in the German Industry by Major Wilson.

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17. At each of the factories visited, all possible help was given to us in the course of our investigations and a very commendable spirit of collaboration was found.

ARTHUR R. STELLA.
F.O. - E.A.B.5(b)

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II - NAMES OF GERMAN FIRMS HAVING TAKEN
MACHINERY FROM PEUGEOT-SOCHAUX

V.W.W. at Fallersleben

Daimler-Benz at Gaggenau, Unterturckheim, Sindelfingen

Todt Organisation.

Elmag Krupp, Nuremberg via "Krawa" at Mulhouse.

Spindelfabrik, at Soulz (Alsace).

N.S.K.K. at Altkirch (Alsace).

Firma Moll at Munich

German Army

N.S.U.; Neckarsulm.

Eisenbahn Amt (Railway service) at Belfort

C. Metz, at Karlsruhe.

Welswork, at Strasbourg.

Mannesmann - Stahlblechbau at Strasbourg-
Koenigsheffen.

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III - LIST OF DOCUMENTS BROUGHT BACK BY MONTBELIARD TEAM,
T-FORCE, G-2

5th December, 1944.

Source	Description	No. of copies
Autos Peugeot Sochaux	Tests and standards of quality (minimum) for solid lumber, veneer and laminated wood.	1
Autos Peugeot Sochaux	General instruction for protection surfaces of all kinds on the TA-154 Airplane	1
Autos Peugeot Sochaux	Blueprint of differential from Demag of a motor vehicle	1
Autos Peugeot Sochaux	Account of visit made by M.M. Bonal and Croissant of the Autos Peugeot to the Volkswagen Werke, Fallersleben in June 1943.	1
Autos Peugeot Sochaux	Visit to the Daimler-Benz plant at Stuttgart in December, 1942 by M. Perron of the Autos Peugeot	1
Autos Peugeot Sochaux	Visit made to Germany in August 1943 by M.M. Bonal, Croissant and Costelezzi to inspect Volkswagen Werke production methods.	1
Autos Peugeot Sochaux	Names of German firm who were scheduled to receive materials and machinery from Autos Peugeot, Sochaux.	1
Autos Peugeot Sochaux	Report of visit made in Jan. 1944 to Fallersleben by M.M. Buisson, Duclos, Theron, Hosly, Isabey.	1
Autos Peugeot Sochaux	List of Component Parts for Focke-Wulf 211 Airplane	1

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Source	Description	No. of copies
Cycles Peugeot Valentigny- Beaulieu	Tabulation (with percentages) of business transacted with Germans.	1
Cycles Peugeot Valentigny- Beaulieu	Reports of our interview with workers at Peugeot cycles formerly employed at forced labour in Germany	13 sheets
Cycles Peugeot Valentigny- Beaulieu	List of tools and drawings used by cycles Peugeot (on subcontract with Autos Peugeot Sochaux) when they put in 600 hours of work on TA 154	1
Cycles Peugeot Beaulieu	Blue prints and lists of parts made by Cycles Peugeot on sub- contract from Volkswagen Werke (Nature and application of parts not known)	1
Peugeot Freres Audincourt	Resume of history and output of Peugeot Freres under the German suzerainty	1
Peugeot Freres Audincourt	Rough sketch showing the geo- graphical layout of the various Peugeot factories in relation to each other	1

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IV. TABULATED INFORMATION ON GERMAN FIRMS BASED ON INTERROGATION OF TEN WORKMEN DEPORTED FROM PEUGEOT WORKS

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Name of Firm	Production	Location	Key Personnel	Remarks on Factory & Personnel	D of I
(1) Schmidt Söhne	Submarine fac- tory making Boilers, fitt- ings (for subm.) Distillation apparatus	Hamburg 21		300 Working for Blohm & Voss	Dec. 42 July 43
(2) Messer- schmidt	Repairing ME 109 110 111 both a/c & engines 1 or 2 a/c per month	Neunmunster		900 Complete overhaul, and a/c tested in aerodrome behind works, 'Nationalised Military factory'.	July 43 -Feb 44

60 83 88

Name of Firm	Production	Location	Key Personnel	Remarks on Factory & Personnel	No. of Workers	D of I
(3) Blohm & Voss	Submarines. Repair of cargo and naval ships, gun fitting	Steinwarder plant Hamburg		Damaged badly by air raids. Elec. equipment for submarines was shipped in.	20,000	Dec. 42 - Nov. 43.
(4) Reinhold Hehk	(1) Locks for Berlin-prison camps (2) Wooden cases for bombs (3) July 43 - Air-intakes for Stukas-	Berlin-Mariendorf Greinerstr.18		Bomb cases going to N. Africa Factory damaged in raids on Berlin, but rebuilt and began making (3) -Subcontracting (Plan of air-intake)	40	Feb. 43 - Nov. 43.
(5) Adler-Werke No.1 Factory No.2 Factory	(1) Parts for Tiger tanks and engines (2) Engines for half tracks for (2) No.2. (1) Torpedo engines (radial)	Frankfurt/Main		Received rough cast tank tracks and crank shafts from Peugeot-Sochaux.	6,000	Nov. 42 - Nov. 43.

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Name of Firm	Production	Location	Key Personnel	Remarks on Factory & Personnel	No. of Workers	D of I
(5) Adler-Werke No. 2 Factory (Cont.)	(2) Semi-tracked vehicles. Tank repairs.					
(6) ?	Aero-engines	5 kms. S.E. Frankfurt, possibly Bornheim-		Bombed in Oct. 43 with-out much damage. Name of plant stated to be composed of 3 letters.		Nov. 42. Nov. 43.
(7) Reichsbahn Locomotive Depot	Repair of locomotives, pistons and moving parts	Kassel		Examination of locos. every 10 days, but repair so bad that locos were continually coming back. Repair parts from Henschel of Kassel. Hand tools only, no machine shop. Large repairs sent to Berlin.	200	Nov. 42 to May 43.

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Name of Firm	Production	Location	Key Personnel	Remarks on Factory & Personnel	D of I
(8) Mauser Works 4 Halls	Mauser rifles & MGs	Berlin- Borsigwalde	2400 (600 in each building)	Works in 4 Hall, in different colours (1) Red - New in Oct. '42 and being fitted in new machines. Steel parts of Mauser rifle, MG. barrel and breech, complete with air cooling jacket - Testing in Hall (7.5 or 7.75 mm) behind (2) Blue - (?) Assembly of rifles (?) Wooden parts believed made here (3) Yellow (4) Green <u>Production</u> 400 rifles p. day. 200 MGs p. day.	Oct. 42 to May 43
Factory Annexe belonging to Mauser	Ammo. for Mauser				

Name of Firm	Production	Location	Key Personnel	No. of Workers	Remarks on Factory & Personnel	D of I
(9) Henschel	(Motor vehic- les (Heavy lorries) ((Tiger Tanks) Locomotives)	Kassel- Mittelfeldt		12,000 (2000 on tanks)	When source left, they Nov.42 were beginning to make Nov.43 super-Tiger tank in his section - <u>Materials</u> (1) V-engines, completely assembled, from Berlin. (2) Gun and turret from Krupp, mounted Armour, 19 cm. thick in front, from Krupp, and Guns 105 mm. (3) Tracks came in parts and were mounted there. (4) Radiators came from Berlin. (5) Ball and Roller bearings came from Sweden. <u>Air Raids</u> 2 Oct.43 22 Oct.43 Slight damage to sect- ion making tank parts - otherwise nil.	

Name of Firm	Production	Location	Key Personnel	Remarks on Factory & Personnel	D of I
(9) Henschel (Cont.)	Loco.Chassis	Kassel	(Loco Section) 5/600	Source's shop sent parts for loco. chassis to main loco. assembly shop in town, "Hollandisch Platz" which (source thought) made other parts. Boilers were made in another shop in the town. <u>Production</u> This Shop produced about 5/6 chassis p. day in Nov.43. -Main Loco plant possibly 2/3 locomotives p.day. <u>Air Raids</u> Main plant not hit.	Nov.42 Nov.43
Old Factory "Hollandisch Platz".	MG parts Guns 150 & 88 mm.	Kassel		Made everything for heavy MG except wheeled chassis. Production of these	Nov.42- Aug.43

Name of Firm	Production Location	Key Personnel	Remarks on Factory & Personnel	No. of Workers	D of I
Old Factory "Hollandisch Platz" (Cont).			held up in Mar-July 43 because of special order for 88 mm. guns, believed for N.Africa. Parts for 88 mm. made in several shops of 'old factory'. <u>Output 4-5 150 mm guns</u> p.day 45-50 MGs p. 12 hr. shift, 2 Shifts.		
Forge and Foundries	Nearly all heavy castings and forgings for Henschel.	Rothendietmold	2,000		
(10) Aircraft plant ?	Aero-engines	Attenbornach (10 km. from Kassel)			

Name of Firm	Production	Location	Key Personnel	Remarks on Factory & Personnel	D of I
			No. of Workers		
(11) M.A.N.	(Motor vehicles) (Tanks) (Engines) (Loco.wagons)	Nurnberg	15,000	<p data-bbox="442 234 478 510"><u>Production Activities</u></p> <p data-bbox="478 234 515 510">1. <u>Motor vehicles</u> Heavy diesel lorries were made, complete. Output was a maximum of 6/7 per day. Supply of ball bearings was affected in July 43 after bombing of a ball bearing plant in Regensburg. In June '43 m/t production slowed down in favour of tanks, and workmen were shifted.</p> <p data-bbox="515 234 552 510">11. <u>Loco.wagons</u> Not very important. Railway cars produced at rate of 1 unit per day.</p> <p data-bbox="552 234 588 510">111. <u>Tanks</u> Machining of parts and mounting of Tiger, Panther and Lux tanks.</p>	Nov.42 -Feb.44

Name of Firm	Production	Location	Key	Remarks on Factory & Personnel	D of I
			No. of Personnel Workers		
(11) M.A.N. (Cont)				<p>111. Tanks (Continued) <u>Tank cars</u> (?) <u>Materials</u> <u>Tank guns</u> (88 mm?) were a bottleneck and production varied because of this from 6-7 per day to 1 or 2 per week. Tank tracks in good supply. <u>Lux Tank</u> - a small fast tank, possibly for command, mounting a 2 mm gun and 1 MG, as on some ME planes 2 way radio. Production was 6-7 per day under German foremen, but only 1 per week under French. Total production reached 100, but finished in January '44 on the grounds that the tank was too</p>	

Name of Firm	Production Location	Key Personnel	Remarks on Factory & Personnel	D of I
(11) M.A.N. (Cont)		No. of Personnel Workers	<p>111. <u>Lux Tank (Cont)</u> <u>light.</u> Tank section has never been bombed, as far as source knew.</p> <p>IV. <u>Engines</u> a) <u>Submarine diesel Engines - large</u> - Source thought possibly they were repairing these only, because shop was not very big.</p> <p>b) <u>Tank Engines</u> - apparently produced up to 7 March '43, when plant was bombed and whole stock of engines and parts was burnt out. Production until Jan. 44 did not include any engines, tanks were completed and towed to Berlin, where engine was installed.</p>	

Name of Firm	Production Location	Key Personnel	Remarks on Factory & Personnel No. of Workers	D of I
(11) M.A.N. (Cont)			b) <u>Tank Engines (Cont)</u> Subsequently, in Dec. 43 - Jan. 44, a shortage of supply in tank engines seemed to be felt, and source thinks that tank-engine production was restarted, the firm intending to produce all its own supply. <u>Supply</u> Turrets, guns, engines and armament parts were thought by source to come from the Ruhr (Essen) because the supply stopped everytime that region was bombed.	

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18th December, 1944.

V - ACTIVITIES OF THE PEUGEOT ORGANISATION AT
SOCHAUX-MONTBELIARD
(Target 25/42)

The three main groups of factories forming the Peugeot Organisation at SOCHAUX-MONTBELIARD have, except on one occasion, operated independently during the period of German occupation.

A review of each group's activities is made separately in the present report.

A. SOCIETE DES AUTOMOBILES PEUGEOT AT SOCHAUX.

The following information was obtained at the SOCHAUX works on December 1st and 2nd, 1944 from:-

Messrs. Richoux)	- Co-directors
" Marty)	
" Hosly)	- Engine Section
" Isabey)	
" Buisson	-	Body Section
" Croissant	-	Aircraft pressings
" Falay	-	V.W.W. Peugeot Liaison.

In September 1939, the Peugeot works at SOCHAUX employing some 15,000 workers had a total production capacity of approximately 280 cars and trucks a day, say 84,000 vehicles a year. The actual output was in the region of 60,000 vehicles per annum, 90% of which were standard Peugeot cars, the rest being mainly 1.2 ton trucks.

War time activities of the SOCHAUX group.

1) Prior to the Armistice

In 1939, in addition to motor-vehicle production, the works had a programme to manufacture first HISPANO-SUIZA, then GNOME-RHONE aero engines. Neither of these

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plans was ever carried out. Instead PEUGEOT made shells and tooled up for the production of AMIOT planes. Soon before the Armistice, however, the equipment for manufacture of planes was transferred to another PEUGEOT branch at BORDEAUX and part of the personnel with it.

ii) Period of German occupation

In June 1940, most of the personnel which had left for BORDEAUX came back.

Upon being asked by the Germans to undertake a programme of aircraft manufacture, the SOCHAUX management successfully pleaded that the works were not suited for such production.

From 1940 to 1943, PEUGEOT-SOCHAUX continued to make motor-vehicles under the supervision of a G.B.K. representative, the C.O.A. (Comite Organisation Automobile) providing all raw materials.

From December 1943 on, output which had dropped to some 100 vehicles per month was carried out from stock.

In the period September 1939 to May 1944 the following number of vehicles were turned out:-

Year	Annual output	Types
1939-40	21,688	1.2 tons
1940-41	10,163	1.2-1.4 "
1941-42	10,000	1.4-2 "
1942-43	4,662	2 "
1943-44	900 (530 in first 4 months 1944)	2 "
Total output	47,413	

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Of the above output, the Germans took 90% of all production during the period of their control, receiving altogether over 25,000 vehicles, not more than 300 of which were gas-producer types.

In addition to their M.V. activities, the Sochaux works had to undertake an extensive programme of component manufacture on behalf of German firms (see details in VI - Appendix). According to statements made by the management of Peugeot-Sochaux, none of the contracts passed was completely carried out. This, it appears was due, partly to raw material shortages, but mainly to labour troubles. The number of workmen at Sochaux, which in March 1940 had already decreased to some 11,500 dropped to 5,700 in September of that year and thereafter remained at about 6,000 until the liberation.

Absenteeism, which in peacetime was only about 2 to 3%, rose gradually under German control until in 1944 it was in the region of 30%, some days being as high as 80%.

In June 1943 the Societe des Automobiles Peugeot was made a "subsidiary" of VOLKSWAGENWERKE, FALLERSLEBEN to avoid constant evasions in production. In fact, V.W.W. supervised production at Sochaux and looked after German interests but did not assume financial control of the firm. Mr. Falay was made responsible for relations between Peugeot and V.W.W. on the French side and a certain Karl Rosenhauer was sent from Fallersleben to deal with technical matters and keep Peugeot up to the mark.

In June and again in August 1943, parties of engineers from Sochaux went to Fallersleben at the request of V.W.W. to study the manufacture of so-called "tanks" (reservoirs), F.W. 154 engine cowlings and parts for military cars - type 820 (KUBELWAGEN) and 166 (Amphibious) - for eventual production at Sochaux.

The "tanks" were in reality parts of V.1 (known then as "Project 1114") consisting of: aluminium nose, warhead, main body and front part of the tail (minus power unit and controls).

An output of 1,500 of these units per month was required at Sochaux and documents and drawings were

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provided to Peugeot. The project, however, was suddenly abandoned and Peugeot was told to return all documentation relative to the subject.

According to Mr. Croissant who saw V.1 in production at Fallersleben, and managed to secure some drawings of it, output of this weapon started at V.W.W. in August 1943 at the rate of 100 units a month, rising rapidly to 3,000 a month.

V.W.W. operating on behalf of FOCKE-WULF, Bremen for the production of F.W. 154 engine cowlings, organised a tooling up programme in second half of 1943, to include itself, Peugeot-Sochaux and, according to Mr. Croissant, possibly OPEL, RUSSELSHEIM.

Whilst it is known that production soon got under way at Fallersleben, Peugeot at Sochaux, although due to start on this work in January 1944, apparently only produced a few sub-assemblies which were never used.

In June 1944, production on the F.W.154 cowlings was discontinued at Sochaux and a programme to manufacture Junkers 188 wings was put forward instead. Jigs were sent from Fallersleben, where these wings were also produced, but were neither used nor returned.

A suggested production of complete assemblies of military cars was not carried out but engine and chassis parts for these vehicles were made at Sochaux. The quantities manufactured, however, were never more than a fraction of the numbers required and other similar orders were not carried out at all (see VI - Appendix)

Whilst little generally was known about the activities of German firms for which Peugeot-Sochaux subcontracted, personnel which had been to V.W.W. at Fallersleben, Opel at Russelsheim and Daimler-Benz at Unterturkheim were able to make the following statements about these firms:-

- a) V.W.W., in addition to producing military type vehicles referred to previously, was, in early 1944, actively engaged in the manufacture of F.W.154 engine cowlings assemblies (Minus engine), Junkers 188 wings and V.1's. The plant employed some

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18,000 workers and among the men chiefly responsible for V.W.W. activities were:

Dr. Forsohe, Dr. Piech and Mr. Riedel
at Fallersleben

and

Messrs. Rosenhauer, Vernecke and Hochmiller
at Sochaux.

- b) Opel, Russelsheim, was producing JU.188 engine cowling assemblies presenting similar features to the F.W.154, in 1944.
- c) Daimler-Benz, Unterturkheim, in 1942 employed 22,000 workmen and was divided into three main groups.
 - i) Automobile (Military transport vehicles)
 - ii) Aviation (aero-engines)
 - iii) Naval (Submarine and motor-boat engines)

6,000 workmen were engaged on M.V. manufacture but this, it was said at the time, was being discontinued in favour of aircraft and naval production.

A report, Ref.No.11/25/04 of November 1944 by Oliver P. Hodge and 1st Lt. William Venohr of G.2 SHAEF Economic Section, gives details of the evacuation of machinery and materials from Peugeot-Sochaux.

B. SOCIETE DES CYCLES PEUGEOT, AT VALENTIGNEY-
BEAULIEU.

The following information was obtained at the BEAULIEU works on November 29th, 1944 from Mr. Eugene Peugeot and members of his staff.

The STE. DES CYCLES PEUGEOT continued producing cycles and motor cycles after the Armistice.

Late in 1940, the Germans wanted to include the firm in a big bicycle manufacturing programme, but the C.O.A. (COMITE ORGANISATION AUTOMOBILE) interfered and the project was abandoned.

From 1940 to 1942 the works operated mainly

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for French interests, output consisting of cycles, motor-tricycles (100 cc. engine) and motor-cycles (350 cc.). The official programme allowed the firm to turn out 3/400 motor-cycles a month, but in fact many more were produced for the benefit of the civilian population.

Throughout the first two years of occupation, the Germans, however, carried out many requisitions at the works, first of bicycles, then of motor-cycles. In that period they took an average of 150 motor-cycles a month, say a total of 3,000 units.

In 1941, the STE. des CYCLES PEUGEOT was made to undertake subcontracting on behalf of German firms, on a small scale to start with. Eventually, in 1942, they had to sign a document guaranteeing 80% of production to Germany. This, however, was never accomplished, as shown by the following table of business turnover percentages in favour of German interests:

Year	% for German Army	% for German civilian	Total % Germany
1940	-	-	-
1941	-	-	11.10
1942	10.34	4.12	14.46
1943	5.68	6.48	12.52
1944	1.60	35.50	37.10

According to the above figures, business turnover in favour of Germany did not even amount to 20% of the total CYCLES PEUGEOT turnover in four years of occupation.

From 1941 to 1944, the company subcontracted for three German firms, namely FICHTEL & SACHS at SCHWEINFURT: ZUNDAPP at NUREMBURG and N.S.U. at NECKARSULM.

Production for FICHTEL & SACHS consisted mainly of cycle front wheel hub. A rate of output of 88,000 hubs per month was required, but 40,000 units a month was the maximum achieved.

The N.S.U. company, at first, only required small parts such as stalks for bicycle forks and motor-

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cycle axles. Upon being made "godfather" to CYCLES PEUGEOT in January 1944, however, N.S.U. placed an order for 23,000 bicycles (out of a German programme for 100,000) which was completed in six months. As a "Godfather", N.S.U.'s job was to supervise the production at CYCLES PEUGEOT and see that contracts were carried out. Subcontracting for ZUNDAPP consisted mainly of the manufacture of crankshafts, con-rods and chain pinions for motor-cycles and the machining of rough parts sent by ZUNDAPP.

According to the management of CYCLES PEUGEOT, the works on one occasion, undertook a tooling contract for PEUGEOT-SOCHAUX for the latter's aircraft programme. The contract, placed on July 28th, 1943 was to be finished in 3 months, but by the end of August 1944 only a few tools had been delivered and not more than 600 man hours had been worked altogether.

Information concerning the activities of German firms for which CYCLES PEUGEOT subcontracted was obtained by Messrs. Reverboni and Delage after a visit to FICHTEL & SACHS, ZUNDAPP and N.S.U. in 1942 and from Mr. FALKENHEIN director of the latter firm on the occasion of one of his visits to CYCLES PEUGEOT in 1944.

a) FICHTEL & SACHS at SCHWEINFURT. This firm was supposed to have an output capacity of one million bicycle hubs per annum in addition to any other production.

b) ZUNDAPP at NUREMBERG. These works, it appears, concentrated on the production of large size motor-cycles in 1942. According to CYCLES PEUGEOT engineers who visited the plant at that time, large underground shops existed, which they were forbidden to enter. It was heard, however, that radio-controlled tanks were being made there in 1943.

c) N.S.U. at NECKARSULM. The "KETTENRAD" (semi-tracked motor-cycle) was being manufactured at this plant in 1942 and according to Mr. FALKENHEIN, director of the works, was still being produced there in 1944.

When the Germans left, they took 200 machines out of a 1,000 from the CYCLES PEUGEOT works, the greatest part of which went to DAIMLER-BENZ and V.W.W. The machinery taken away represented well over 50% of the total value of the equipment at the works.

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It was the impression of the management that V.W.W. at FALLERSLEBEN was acting as distributor of the stolen goods to other German firms.

C. PEUGEOT FRERES.

MONTEBELIARD
Region.

- 1) Usines d'Audincourt (Main works at Audincourt
- 2) Usines de Valentigney at Valentigney
- 3) Usines de Terre-Blanche at Herimontcourt
- 4) Ste. des Aciers Peugeot Usines de Bourguignon at Bourguignon.
- 5) Ste. des Aciers Peugeot Usine Rive-Droite Usine Rive-Gauche at Pont-de-Roide
- 6) Usine de St.Simeon. Dept.of Isere.

The following information was obtained at the Audincourt works on November 29th, 1944, from Mr. Rodolphe PEUGEOT, director general, Messrs. GIRARDEZ and SIMONETTI Interim-Director General and Technical Director respectively.

The PEUGEOT FRERES group of 6 factories was making Hotchkiss armament for the French at the start of the war.

After the Armistice, pre-war manufacture of tools and agricultural implements was resumed, at first mainly for French interests.

In 1941, however, the German Field Commander at BESANCON had a census made to determine the importance and capacity of the PEUGEOT FRERES works and as with the other PEUGEOT groups, the management had to sign documents guaranteeing 80% of its production to Germany. Business turnover figures show that percentages in favour of Germany, however, were as follows:-

1940-41	2.2%
1941-42	21.2%
1942-43	19.6%
1943-44	16.6%

According to the above figures, business turnover in favour of German interests did not amount to 15% of total PEUGEOT FRERES turnover in four years of occupation.

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In 1942, the Germans, not being able to obtain more from these works removed part of the personnel to Germany which gave the company a further excuse for a "slow down" policy.

A detailed report on the activities of the PEUGEOT FRERES group during the war is to be submitted by Mr. Rodolphe Peugeot to S.H.A.E.F.

Arthur R. Stella
F.O. & M.E.W.- E.A.B.5 (b)

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