

The Incredible Dale Hoax

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G. Elizabeth Carmichael with mock-up of the Dale.

TV promotion launched 'the car of the future'—and a TV investigation demolished it

By John Pashdag

Of the odd and sundry prizes that have appeared on television game shows over the years, one of the oddest appeared last April as part of the grand prize on an evening showing of *The Price Is Right*. The prize was a new automobile—a near-miraculous new creation called the Dale, a two-seat three-wheeler that was said to get 70 miles

per gallon, cruise at 80 miles per hour, and take a head-on crash into a concrete wall at 50 miles per hour without sustaining major damage.

No one won the Dale that night; its list price of \$1969 was far below any of the contestants' guesses. However, everyone concerned had reason to be glad that the car remained unwon, because there was one problem with the amazing Dale, the car of the future.

It didn't exist.

Depending on whom you believe, the Dale was either an inventor's dream that wasn't given time to come true, an out-and-out fraud, or a little of both. If

it was a fraud, as numerous criminal complaints have charged, it was one of the biggest in television history. With TV's willing, but unwitting help, the Dale took in almost \$3 million from investors and would-be purchasers in just three months. Eventually, though, television played as big a role in the downfall of the Dale scheme as it had in its meteoric climb to near-success.

When the Twentieth Century Motor Car Corp. of Encino, Cal., first introduced the Dale last fall, the company's executives and P.R. men were almost trampled in the ensuing rush of newsmen chasing after the human-interest story of the year. Besides the Dale itself, their attention was captured by the car's promoter—Mrs. G. Elizabeth Carmichael, a 37-year-old mother of five who had built her first car at the age of 18 and, as president of Twentieth Century, was declaring war on Detroit.

She made great copy for reporters and even greater film for TV newsmen. The image of the 6-foot, 200-pound Mrs. Carmichael standing next to her wedge-shaped car, calling the Big Four auto makers "stupid jerks" and predicting the sale of 88,000 Dales in her first year in business, was one that few editors could pass up. In the month after her first press conference, Mrs. Carmichael appeared on five of Los Angeles's seven VHF stations.

The fact that no newsmen ever saw the Dale actually run didn't keep them from praising the car as the answer to America's automotive prayers, nor did it deter the thousands of viewers whose purchase deposits and investment checks poured into Twentieth Century's office on Ventura Boulevard as a result of the publicity.

Not everyone took Carmichael's spiel at face value, however. To Dick Carlson, then an investigative reporter at KABC-TV, and his producer, Pete Noyes, the Dale was too good to be true. "All the reports were so unashamedly glowing they were embarrassing," explained Carlson later. That embarrassment, plus

a tip from a skeptical bank investment counselor, set Carlson and Noyes in action.

In a series of five reports that began on Jan. 1, 1975, KABC became the first TV-news outlet to seriously question Mrs. Carmichael's claims, and the first to discover her company was in trouble with the California Corporations Commission for selling stock without a permit. In one report, Carlson took a member of the Society of Automotive Engineers to Twentieth Century's research-and-development lab, passing him off as a member of his crew to get an expert opinion. The engineer's on-camera report was merely cautious, but privately he told Carlson he smelled a fraud.

Despite the news team's efforts, however, the free publicity continued elsewhere, and Dale sales increased 300 per cent after the conclusion of KABC's reports. "People just didn't listen to what we were saying," says Noyes. "We had stagehands coming up to us after the show saying, 'That's great, where can I get a car like that,' and we'd tell them, 'No, didn't you listen to our report? It's no good. It's a con.' They saw the car and heard the claims and they wanted to believe it."

Through all of this, the only governmental action taken against the company was the Corporations Commission's seemingly unenforceable order banning the sale of stock. Neither the district attorney nor the state attorney general showed any interest in the case.

The D.A. became interested in a hurry in late January, when a salesman was shot and killed in Twentieth Century's office. The KABC team went back to work in earnest and, within a week of the shooting, Carlson and Noyes had discovered that Twentieth Century's vice president, Sam Schlisman, was wanted in Nevada on a charge of grand theft involving the furniture that was gracing the company's Encino office.

Two days later, KABC showed a non-running Dale mock-up displayed at →

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SHE KEEPS 'EM GUESSING



ELIZABETH CARMICHAEL
... the third wheel

DALLAS, Tex. (AP) — The identity of a woman who claimed to have a car which would revolutionize the auto industry remains a mystery. Police claim she is a "he," but the FBI says his and her fingerprints do not match.

She is Elizabeth Carmichael, president of Twentieth Century Motor Car Corp. who is wanted here on charges of conspiracy to commit theft in promoting a three-wheeled car, the Revette.

The company's operations in Dallas were shut down in February, only a week after it moved here from California, when the Dallas police department filed charges against 10 corporate officers. Charges against all but Mrs. Carmichael and Whitlock Sharpe later were dropped.

Capt. John Driscoll, head of the police intelligence section, said Tuesday that Mrs. Carmichael, a tall, husky-voiced individual who claimed to be a 37-year-old widow with five adopted children, is really Jerry Dean Michael, a fugitive for the past 13 years.

"At least we now know what we are looking for," Driscoll said.

But a spokesman for the FBI said later that Michael's fingerprints did not match those on documents handled by Mrs. Carmichael.

"As far as we are concerned, they are not the same person," the spokesman said.