

Dick Kughn - The Man and the Magic He Created

By Steve Repergel

At age 73, Dick Kughn is still smiling ear to ear. In fact, one might say he has virtually everything to smile about since his treasures are the envy of both young and old. Of course, it didn't all start out that way - it took a lifetime to achieve and a fervent passion and interest that is uncommon in most people.

Born at Henry Ford Hospital in Detroit, Michigan, on October 31st, 1929, Richard Paul Kughn had an average upbringing like any other child from that era. His father was a title examiner in real estate and they lived quite modestly. At age two, it became obvious, however, that Dick loved toy automobiles. "All I wanted were little toy cars to push around on the carpet," he recalls. Toy trains became next on his list of favorites when at age seven he

discovered parts of a train set discarded in a dumpster. Who knew that bringing them home would be the first step in kindling his love-affair with the hobby and, later, playing a role in changing the face of America's favorite toy train company, Lionel.

By his teens, Dick's passion and interest continued to gather speed, reaching new heights as he and a friend began scouting junkyards to construct an automobile - a 1923 Ford Model T Touring! Before long, Dick had acquired yet another - a Model A Tudor Sedan - followed by several other cars in quick succession. It seemed evident that the more Dick thought about doing something, the more the idea consumed him and became the sole focus of his endeavors. When asked about his unremitting persistence

of passion and interest for toy trains and automobiles, Dick explains, "It was a natural instinct and my loving parents were always extremely supportive since I was little...and I mean very little." With confidence instilled in him at such a young age and throughout his life, Dick applied himself to every project he set out to do - from constructing his own Lionel toy train layouts during his teens to later developing giant shopping malls across the country with The Taubman Company of Bloomfield Hills, Michigan.



At age 73, Dick Kughn is still a kid at heart and enjoys spending time at Carail.

The collecting of toy trains and automobiles continued to manifest itself throughout his professional working years (1955 to 1983) at The Taubman Company. By the 1970s, it was apparent that the toy train hobby was starting to consume his home basement and that his automobile collection was taking up space amongst the garages of friends and neighbors. In 1974, Dick set sights on a more permanent location for his collection and a building in northwest Detroit was selected. The location, known today as Carail, was initially divided up into five different businesses - three of which were vacant that Dick bought. Viewed merely as a warehouse for his car collection, the location was all but ruined when only weeks after his occupancy a massive rainfall drowned the premises, causing severe damage to the inside of the building. He immediately began renovating and refurbishing each area making it a "recreational room away from home," as he recalls. A few years later Dick bought the center section of the building that was home to a bowling alley and bar, then subsequently purchased the remaining space that was held by an automobile dealership. Knocking down the remaining mason blocks that once separated the different businesses opened Carail up to its full 45,000 square foot potential. Additional renovations followed, bestowing each room with its own unique personality, surrounded by a growing collection of toy trains, automobiles, pedal cars, artwork and automobilia.



A favorite among visitors at Carail - a 1940 Packard Sedan once owned by actor James Cagney.

Interestingly, his love affair with automobiles would lead him to form his own restoration facility named Classic Auto Restoration in Farmington, Michigan. Through his love of automobiles, many wonderful friendships with car experts were sparked, including renowned stylist Gordon Buehrig - the designer behind some of America's most elegant automobiles: the Auburn, Cord and Duesenberg. In 1978, during dinner at Buehrig's home in Grosse Pointe, Michigan, Dick was invited to the basement to see some new designs. As Dick reminisces, "I saw the Buehrig automobile as we (later) named the car." With little interest from others to build it, Dick set sights on developing a working prototype. In fact, three prototypes were built in total, a 1979, 1980 and a 1981 model. However, the dream would soon be short-lived as the requirements for liability insurance crushed the idea of

manufacturing a true production automobile - even if it was only to be built in limited numbers. In short, the costs of carrying liability insurance until all production 'Buehrig' automobiles were officially sent to the wrecking yard would mean financial ruin. As a result, Dick donated the 1979 Buehrig prototype to the Auburn, Cord, and Duesenberg Museum (ACD) in Auburn, Indiana. The latter two models, the 1980 prototype sits in storage, and the 1981 Buehrig remains on display at Carail.

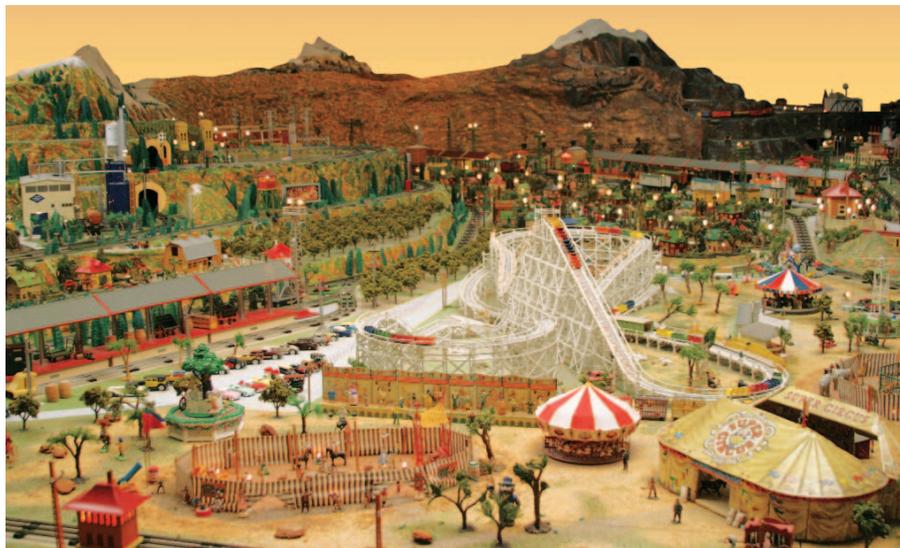


One of just three prototypes produced during the Buehrig project. This version - a 1980 Buehrig model - is locked away in storage.

In the 1980s, Dick's ventures would take him in an altogether different direction. A taste in the motion picture business would whet his appetite for more when he was asked to bring several of his automobiles from his collection to the making of *Assignment Berlin*, a film shot on location in Detroit, Michigan. Interestingly, Dick's other investments made it into the movie, including his historic building, The Whitney (originally, the mansion of David Whitney Jr., one of the great lumber barons of the 19th century). Dick rescued the residence from the wrecking ball in 1979 and used it initially for office space. He then later renovated the entire home and re-opened it to the public as one of the most successful restaurants in the area. Today, it is considered a culinary leader in Detroit.

For Dick, it would be a few years after his participation in the making of *Assignment Berlin* when he would attempt to step fully into the movie business. However, this time he and his fellow associates would form their own company, Longbow Productions, in Studio City, California. A series of successful television shows and movies debuted on-screen, including *Forever Love*, *Little Girl Fly Away* and *A League of Their Own*, starring Tom Hanks, Geena Davis, Madonna and Rosie O'Donnell. With a greater focus on producing earnings from made-for-TV movies, Longbow Productions continued to prosper until recently, when large networks threatened to dominate the marketplace. Dick, realizing that his production company would have to compete on the same level with the long-time giants of the business, decided to shut down operations in late 2002. His production company may no longer exist, but as Dick puts it, "We did some great movies that will always be remembered."

In the mid 1970s to the early 1980s, Dick traveled across the country, collecting a vast array of motorcars, artwork, and memorabilia. He also searched out and purchased the best Lionel products of every scale, including layouts, displays and locomotives, along with selected models of American Flyer, Boucher and Ives, just to name a few. At toy train clubs and sales events, acquaintances who got to know Dick through his repeat visits would often comment, "You have so dog-gone much stuff, about the only thing you don't own is the Lionel train company. Why don't you buy it?" As Dick recalls, "It became the standing joke whenever another piece was acquired for my collection." Then, one day in 1985, out of the blue he received a call from his attorney who caught word that Lionel was for sale. At first, Dick chuckled at the thought of buying Lionel, but his emotional connection to the hobby later made him seriously consider the possibilities.



A magnificently-detailed activity scene from the massive 1,500 square foot toy train layout at Carail.

Following his heart, Dick purchased Lionel, despite his accountants' warning against it as the company had been failing to produce good product and to make delivery timelines while manufacturing in Mexico. Nevertheless, Dick felt adamant that he could revive Lionel if he could move the company to Michigan. Before long, negotiations were well underway and a deal was struck as all tooling, molds and dies were set-up in Detroit. By April 25th, 1986, it was official - Dick Kughn owned Lionel!

Starting with a fresh company name, Lionel Trains, Incorporated, Dick immediately brought forth a new product plan. He invested large amounts of money on new tooling, launched more contemporary locomotives and re-issued a number of collector models to the marketplace with greater quality, detail and improved features. Dick also launched the S gauge scale of trains that included American Flyer in all new décor. Aside from broadening the collector line of toy trains for his company,

Dick introduced new sights and sounds. RailScope, launched in 1988, used onboard cameras and small black and white monitors to provide the viewpoint of the engineer. A year later came RailSounds, digitally recorded audio of real trains programmed into a memory chip. By the early 1990s, Dick was still going full steam ahead, making plans for Lionel's future when another one of his greatest innovations lay just around the corner. Dick's vision of a state-of-the-art remote control system for Lionel was his dream, but no one could satisfy his level of expectations, except one other individual - musician Neil Young - who was familiar with Dick's ideas from previous mutual business engagements. Dick explains, "Neil knew an awful lot about electronics and the right people in Silicon Valley to make it all happen." As such, the two created LionTech, which became the driving force behind TrainMaster Command Control, a technology that allowed

O gauge operators the ability to manipulate more than one locomotive on the same track. At last, Lionel Trains Incorporated became the company Dick had envisioned, but the ride wasn't over yet.

In 1988, Dick learned that the owners of the Madison Hardware Company in Manhattan, New York, were interested in selling. It was the largest facility known to have purchased virtually every toy train part and overstocked item from all three eras of Lionel production. Dick, having secured Lionel, saw it only natural to have a vested interest in the Madison Hardware Company. Accordingly, he bought it - lock, stock and barrel - and had everything shipped to a warehouse in Detroit, Michigan. In 1989, Dick had commissioned a crew to unpack all contents, identify items, organize inventory, and repair models - and it took months! By 1995, having pulled Lionel from the depths of despair and meeting all of his company objectives, Dick decided it was time to relinquish his controlling interest to new owners. Wellspring Associates, an investment firm, purchased all but a small portion of the company and Dick moved from his role as chairman to that of chairman emeritus.

With Carail now in full swing as the mecca for social gatherings of collecting associations, private business groups, city officials and the executives at Ford Motor Company, just to name a few, Dick had time to focus on other matters - his endless academic affiliations, civic and corporate board memberships, and most importantly, his wife Linda and family. Today, Carail is a testimony to over 50 years of Dick's collecting that includes numerous pedal cars, motorized bicycles, tin toys, children's barber shop chairs, plus more than twenty original bronze sculptures by renowned artist Stanley Wanlass. Artwork is also



One of several wall displays holding some of the finest toy train collectables.

plentiful at Carail with a significant collection of automotive-themed originals by the accomplished Peter Maier, along with paintings of motorcars and toy trains by the highly regarded Angela Trotta Thomas. All of these items are surrounded by many interesting motorcars from the 20th century that remain in turn-key ready condition, including actor George Raft's 1930 Auburn Sedan and James Cagney's 1940 Packard. Other interesting attractions include a Lincoln built exclusively for King George VI and Queen Elizabeth for their 1939 royal tour of Canada, plus an exceptional 1934 Duesenberg Model SJ Boattail Speedster. In total, more than fifty classic and antique automobiles charm the scenery at Carail. Adding to the experience, of course, is the breathtaking view of Dick's magnificent, one-of-a-kind toy train layout - a colossal 1,500 square foot standard gauge setup that can operate eleven toy trains simultaneously! A working snow village and a wide array of buildings, tunnels and bridges fill the scenery, along with every model imaginable, including wall-to-wall Lionel sets from every decade built. Truly, this is one magical place.



At times, both Dick and Linda can be seen gazing around at their collection, perhaps reminiscing of times gone by or sizing up the task of letting go. Only a few years ago, they decided to sell off some of the toy trains while just last year, at the Novi Expo Center in Michigan, RM Auctions sold a large portion of Dick and Linda's automobiles that were secured in a warehouse. This year, RM Auctions will undertake one of the largest operations in public sale history: selling the entire contents of Madison Hardware and Carail in three upcoming auctions - all at no reserve! Dick sums up the decision to release everything most admirably. "Well, I'm 73 years old and it's time to slow down."

When asked about all the interesting things he has accomplished, Dick sets the record straight. "During my career, I've been very fortunate in being able to surround myself with some pretty fine people, as one guy doesn't do the whole show. It takes a team to make it all work and I've had some really good teams!" It is without question that his wealth has only magnified his charm and kindness and, while he is gracefully aging, his passion and interest still seem as brilliantly lit as they did when he was a child. There is no doubt, however, that the departure of Madison Hardware and Carail will certainly be an emotional event for Dick. After all, some of these items, now deemed priceless collectables, have been part of him for most of his life. But as Dick makes sense of the matter, "It's time someone else enjoys their company too."

I would like to personally thank Dick Kughn for sharing his story along with his superb team for providing additional research information and photographs. To learn more about the upcoming sales of Madison Hardware and Carail, visit www.rmauctions.com or call 1-800-211-4371 for details.