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Courtroom Drama Pits G.M. Against a Former Engineer

By BARRY MEIER

In a small Atlanta courtroom, General Motors officials have been witnessing a drama that Hollywood would envy. A former company engineer, who had previously testified only for the car maker, has told a jury that G.M. knew for years that some of its popular pickup trucks were firetraps but that it refused to fix what he called defective fuel tanks.

In testimony last week, the safety engineer, Ronald E. Elwell, also drew a chilling portrait of G.M. as a company that altered documents, conducted secret tests and ordered employees not to put criticism of its vehicles in writing. Commentators on Court TV, which is following the trial because of Mr. Elwell's appearance, quickly dubbed him the "turncoat" witness.

When the case resumes today, lawyers for G.M., which insists that the pickups are safe, are expected to portray Mr. Elwell as an embittered former employee who is seeking revenge because he was pushed into taking early retirement in 1986 after a 30-year career at G.M.

"In cases like this one where an ex-employee suddenly steps forward, juries have to decide the question of motivation," said Russell Cook, a plaintiffs' lawyer who is not involved in the G.M. pickup cases.

Should the company fail to discredit Mr. Elwell, it may prove one of G.M.'s most costly legal setbacks in recent years. His testimony, if believed, also raises the possibility that the company will face huge punitive damage awards and a shattering blow to its image.

More than 100 lawsuits have contended that Chevrolet and GMC pickups built from 1973 through 1987 exploded into flames after side-impact collisions, killing or seriously injuring occupants. Last month, Federal regulators opened an inquiry on whether to order a recall of all G.M. pickups still on the road with side-mounted fuel tanks, some 4.5 million vehicles.

The testimony of Mr. Elwell, a white-haired man of 56 years with the stolid manner of an engineer, came in a lawsuit brought against G.M. by the parents of Shannon Moseley, a 17-year-old Atlanta-area youth killed in 1989 when his 1985 GMC pickup was struck on the driver's side by another vehicle and erupted in flames.

The Moseleys have refused offers from the company to settle the case, insisting that it go to trial. And the presence in the courtroom of Robert C. Stempel, the former G.M. chairman, has further charged the drama. Mr. Stempel, who is representing the company at the trial, also gave a videotaped deposition in which he defended the pickups' safety.

In his testimony, Mr. Elwell contended that company officials knew in the early 1980's that the side-saddle fuel tank design was "indefensible." Furthermore, he said, the company a decade ago was developing a steel plate to protect the tanks against punctures in collisions.

But development of the steel plate was dropped because officials feared it would alert the public to the tanks' hazards, he testified. "It would produce the wrong image to the public," Mr. Elwell said.

G.M. documents recently disclosed in other lawsuits show that company officials had decided by the early 1980's to make the fuel tanks "less vulnerable" in future models by placing them inside the pickups' frames. But the company has contended that such changes were intended only to improve the vehicles, not because it feared any dangers.

Mr. Elwell also testified last week that G.M. did not consider fire a serious hazard and that the company did not test vehicles under realistic crash conditions. Federal standards require manufacturers to test for fuel-system safety at maximum speeds of only 20 miles an hour.

Mr. Elwell said he had written no memorandums criticizing the truck because it was against company policy to put such opinions in writing, lest the documents fall into the hands of corporate critics.

Before the trial started last week, G.M. officials unsuccessfully tried to bar Mr. Elwell. And late Friday afternoon, Fred Bartlit, a lawyer for G.M., began to attack Mr. Elwell's credibility, trying to impeach him on testimony he had given in previous cases defending the pickup's safety. In 1971, after spending the first part of his career at G.M. specializing in door handles and hood latches, Mr. Elwell was put in charge of fuel safety for pickup trucks. He worked on the side-saddle design and its later defense. Displaying a coolness that he no doubt learned during his years as an expert witness, Mr. Elwell contended at the trial that his previous testimony had been narrowly framed and given before he had learned of crucial tests that showed the pickups' vulnerabilities.

While both plaintiffs' lawyers and company officials are under a court order not to comment of the case, several lawyers not involved in the litigation said they expected the attack on Mr. Elwell to continue.

"The first thing you want to show with a witness like this is whether he is a disgruntled employee," said Leonard L. Rivkin, a lawyer in Uniondale, L.I., who has defended corporations in product-liability suits.

The last few years of Mr. Elwell's career were apparently rocky ones. Five years after taking early retirement in 1986, he sued the auto maker, contending that it had stymied his career because of his two heart attacks. G.M. countersued, then settled the case by paying Mr. Elwell an undisclosed sum.

Under that settlement, Mr. Elwell, who recently moved to Albuquerque, N.M., is restricted from testifying against G.M., although the agreement permitted him to testify in the Atlanta case because he had already given a pretrial deposition in that lawsuit. Described Change in View

Mr. Elwell has previously testified that he approved the tank's side location because the company, for marketing purposes, wanted to equip the pickups with large-capacity fuel tanks. But he said his views about the vehicle's safety changed in 1983, when he learned from his superior about company tests run from 1981 to 1983 that showed the tanks splitting open when a pickup was hit in the side by a car moving 50 miles an hour.

Mr. Elwell said he was outraged because G.M. had not made the tests available to him before he had testified in a San Francisco pickup case that year, leading him to feel he had perjured himself. "The tanks were split open like watermelons," he said.

Mr. Elwell said his superior, Alexander McKeen, told him the tests were run because of litigation concerns. But company officials said the tests were part of a companywide effort to improve the fuel safety of all vehicles. Mr. McKeen, in a 1990 deposition, made no mention of any conversation with Mr. Elwell.

In his pretrial deposition, Mr. Elwell noted that when he returned from San Francisco, the company was already easing him out as an expert witness.

The ties between the engineer and the company were indeed fraying. In 1985, G.M. insisted that he undergo a psychiatric evaluation that found no problems, Mr. Elwell testified last week. Then, a year later, G.M. ordered him home for the last three years of his employment. Gambit by Moseley Lawyer

Until 1989, the engineer continued to testify for General Motors in pickup cases as a witness on historical fact, rather than opinion. Then in 1991, while on a flight from Atlanta to Detroit, a lawyer for the Moseley family managed to seat himself next to Mr. Elwell in the first-class cabin. Soon afterward, the engineer agreed to testify for the family.

Though Mr. Elwell's motivations may never be fully clear, consumer advocates believe in him. "He could be out selling his testimony against General Motors, but he isn't doing that," said Clarence M. Ditlow, director of the Center for Auto Safety, a Washington consumer group.

G.M. lawyers also indicated in pretrial depositions that they might assert that Mr. Elwell had threatened the company, for not hiring him as a private consultant after he retired.

One lingering question remains: why had Mr. Elwell not previously alerted the public about the vehicle's hazards? In court, his answer was simple. "I still wanted a job," the engineer said.

Photo: Ronald E. Elwell, a former safety engineer for General Motors, testifying on Friday in Atlanta. (Michael A. Schwarz for The New York Times)