



Founded: 1915 Location: Speedway, Indiana

James A. Allison, a prominent entrepreneur, innovator and businessman, informally established a small machine shop in downtown Indianapolis between 1913 and 1915 to service and experiment with racing automobiles. As a co-founder of the Indianapolis Motor Speedway and part owner of several racing teams, Allison had need for a facility and staff to improve and tweak the cars used by these teams to “fill out the ranks” in the early days of racing. After expressing frustration at having to drive the fine-tuned cars from the city to the track in the area that would become the Town of Speedway, Allison offered to take over one of the racing teams, the Indianapolis Speedway Team Co. (est. 1915), and open a precision machine shop and experimental firm under his name nearer to the track. He established the Allison Experimental Company and had a dedicated shop built on Main Street in Speedway, where he moved operations on January 1, 1917. Allison incorporated his enterprise on February 23, 1917.

When the U.S. entered World War I, the company halted all work on race cars at James Allison’s instruction and the focus changed to helping the war effort. In support of Nordyke & Marmon Motor Company’s production of the Liberty Engine for airplanes, Allison built two master models from production drawings, assisted with tool design and fabrication and built engine parts. After the war, James Allison’s racing team won the 1919 Indianapolis 500, after which he sold his cars to pursue other interests. The once “experimental” shop continued to undertake work in the aircraft industry, such as the reconditioning and production of Liberty Engines, as well as the marine industry, producing yacht engines. As the business evolved, the name was changed to Allison Engineering Company in 1921. Following James A. Allison’s death and subsequent purchase by General Motors in 1929, the company further expanded during World War II as the developer and a primary manufacturer of V-1710 aircraft engines. Allison Division of General Motors became a leading manufacturer of both aircraft engines and, beginning in the mid-1940s, automatic transmissions.

A GM developmental program had the first cross-drive tank transmission, the CD-850, ready for testing in 1944. After the war, Allison sought new products and uses for the company’s manufacturing space. A GM proposal to the U.S. Army was accepted with Allison as the prime contractor. The project was transferred and, with a staff of four engineers, the nucleus of the transmission program began at Allison in 1945. Used in General Patton tanks, the first CD-850 production unit was manufactured in 1949. Along with military transmissions, Allison gained experience in the mid-1940s with production of a marine gear transmission and a V-drive transmission for buses. Throughout the ensuing decades, Allison became a global leader in developing and producing transmissions for military and on- and off-highway commercial applications. In the 1990s, Allison established its expertise as a leader in hybrid propulsion.

The transmission division of the company was retained by GM when the aircraft engine division was sold to a private equity firm in 1993. Allison Transmission Division was acquired by The Carlyle Group and Onex Corporation in 2007 and Allison Transmission became a public company in 2012. Today, Allison is the world’s largest manufacturer of fully automatic transmissions for medium- and heavy-duty commercial vehicles and is a leader in hybrid propulsion systems for city buses. The company that grew out of the humble machine shop has served as an economic and community anchor for the Town of Speedway and greater Indianapolis, where generations of Hoosiers have devoted their careers to manufacturing quality engines and transmissions under the Allison name.