

NEWSLETTER  
THE FLYING TIGER LINE INC.  
(LINE OF THE SKY TIGERS)

May 7th 1948

Vol.II No.10

THE FREIGHT FORWARDER CASE

Memorandum from Mr. R. W. Prescott:

The Examiner's Report on the Freight Forwarder case has come out, recommending exemption of all forwarders from applying for a certificate of convenience and necessity. Anyone wishing to engage in the airfreight forwarding business would only be required to file his intentions with the Board, prove his financial stability and file tariffs for the movement of goods before entering the business rather than to make application for a certificate.

The Board has indicated that it will take action on the Freight Forwarder Case sometime in June. The Examiner's recommendation is precisely what the airfreight industry needs and favorable action from the Board is hoped for.

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AIRLINE SUBSIDY LOBBY

There is attached to THE NEWSLETTER a reprint from "Washington Calling" by Marquis Childs which it is felt will be of great interest to all Flying Tiger Personnel.

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CHENNAULT VISIT

General Clair Chennault paid a visit to The Flying Tiger Line on April 30th. An impromptu reunion was held on the spot with The Flying Tigers who served in the American Volunteer Group in China. Bob Prescott, Bill Bartling and Duke Hedman were in town at the time of General Chennault's visit and they conducted him on a tour of our Burbank facilities.

Later, a luncheon was held at the Grand Central Air Terminal with Major C.C. Moseley. Reminiscences of the AVG and renewal of old friendships were the order of the day. General Chennault stated that he has written a book entitled "My Years in China 1937-1947" and has devoted three chapters to the Flying Tigers of the American Volunteer Group. The book will be published in November of this year.

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GENERAL MOTORS TOUR

On April 29th fourteen Flying Tiger Line employees were invited by Mr. H.L. Stevens, General Traffic Manager of General Motors Southgate Plant, to make a tour through their assembly lines. Among the personnel who attended were pilots, mechanics and cargo men, and all were interested in the marvelous production and scheduling techniques which General Motors have perfected. We watched Buicks, Oldsmobiles and Pontiacs being turned out at the rate of two hundred and fifty per day, or thirty-two per hour. Beginning at the main assembly line with just a frame, the building of the automobiles progressed until at the end of the line, one and one-half hour later, the completed car drove off under its own power.

We were tremendously impressed with the enormous number of prefabricated parts which flow into the BOP plant daily. After the tour, Mr. Stevens and his assistants, Don Masters and O.G. Hafley, talked to us and explained the importance of our airfreight movement of automobile parts from the East to their assembly plant. We learned that well over fifty percent of all premium shipments now move by air and that premium shipments will continue indefinitely -- even after the current steel shortage is past, which is good news to the airfreight industry.

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C71 DAMAGED

On May 4th, O71 suffered extensive damage while landing at Chicago. Investigation of the accident is now under way and its cause has not yet been determined. However, it has been established that the runway was wet and that the plane struck a concrete marker. We are glad to report that neither the crew nor the cargo suffered any damage. Due to difficulty of obtaining parts for the damaged nose section, the ship will be out of service for a considerable length of time. In the meantime, our C-47's will replace O71 while it is being repaired.

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FLOWER WEEK

Even though the company was short of equipment on account of O71 being out of commission it speaks well for the maintenance crews that the Flying Tigers maintained schedules to carry nearly half of the 250,000 pounds of flowers flown to the East Coast this past week for Mother's Day.

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SALES OBJECTIVE

With the direct objective of two C-54 schedules daily the Sales Forces in all seven territories in which Flying Tigers have offices have been greatly strengthened. In addition San Francisco has received lend-lease personnel from Los Angeles. Mayo Thomas and Ted Harris have been up north for the past two weeks and Len Kimball supplemented their staff in the Bay Cities for one week.

THANKS FOR THE TIPS

In order that all personnel may have basic information on our rates and points of service the Sales Department recently mailed each employee a copy of material being mailed to 20,000 shippers - both old and prospective customers. The department appreciates the interest shown by those of you who have put these to good use by turning in sales leads. These are all being followed up by our staff.

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WEATHER - by remote control

A new radiosonde device developed at the Signal Corps Engineering Labs at Fort Monmouth, N.J. will enable gathering of weather data from over the ocean and remote regions in the Arctic, the U.S. Signal Corps has announced. It is released from aircraft by parachute and broadcasts back to the ship, in Morse code signals, its measurement of temperature, barometric pressure and relative humidity.

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X-RAY UNIT FOR CHEST EXAMINATION

Free chest X-Ray Examination will be available to anyone wishing to take advantage of this service in Glendale and Burbank on the following dates at specified places:

GLENDALE HEALTH CENTER, 222 N Glendale Avenue

|                    |                    |
|--------------------|--------------------|
| Monday May 10th    |                    |
| Tuesday May 11th   |                    |
| Wednesday May 12th | 9:00 am to 3:30 pm |
| Thursday May 13th  | 12:00 noon to 7 pm |

BURBANK, FIRST METHODIST CHURCH, 300 E Olive Street.

|                    |                    |
|--------------------|--------------------|
| Tuesday May 18th   |                    |
| Thursday May 20th  | 9:00 am to 3:30 pm |
| Wednesday May 19th | 12:00 noon to 7 pm |

This is a service of the Los Angeles County Health Department and as stated above there is no charge. No appointment is necessary - first come first served - and it takes only a few minutes.

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FLYING CLUB

The organization of a Flying Club by Flying Tiger Line employees is progressing rapidly. Plans have been made for the purchase

of an Aeronca Chief which has only one hundred and three total hours. Walt Loeffler, and the other founders of the club, are now accepting membership applications. The club will be incorporated under the laws of the State of California and headquarters will be at Burbank. Provisions are being made for non-member employees of Flying Tiger Line to rent the club's plane at prevailing rates. However, active membership in the club will reduce your flight cost.

Several Tigers are licensed instructors and have offered to give instructions to student pilots at bargain rates.

Interested persons should contact Walt Loeffler or Bill Goodman, Maintenance Department, Burbank.

# Washington Calling

By Marquis Childs

## Airline Subsidy Lobby

NEW NOMINATIONS keep coming in for the Oscar for the year's most high-powered lobbying. With reinforcements swelling the ranks of the pressure boys from day to day in this era of bigger and better lobbies, the judges have an almost impossible task.

Claim to the honor is being pressed in behalf of the big five airlines that carry most of the country's mail and passenger traffic. And it's an impressive claim.

The Civil Aeronautics Board just awarded the big five—American, Eastern, TWA, United and Northwest—an increase in mail pay which will cost the taxpayer at least an additional 5 million dollars over and above the 21 million they now get. The increase is proposed although Eastern Airlines will show a rate of profit computed by CAB at 36 per cent after taxes, and the other four companies will average a 10 per cent return.

There is a report that Senator Homer Ferguson and Senator Styles Bridges are getting interested in an investigation into the whole mail-subsidy system. Such an investigation occurred not long after the Democrats came into power in 1933. It produced some sizzling facts about the power of the lobbies working for ocean and air mail subsidies and the tactics they employed.

Figuring out the actual cost of carrying the air mail, in relation to the subsidy payments, is something the CAB has never got around to doing. The question of cost, particularly when the airlines talk about it, is surrounded by such clouds of statistics, qualifications and reservations that the ordinary person is left in a state of confusion.

BUT HERE is a significant contrast. With the new pay increase included, the CAB finds that the big five must get 58 cents a ton-mile as a "service rate" for carrying the mail. At the same time the big five have applied for, and CAB has approved, rates for carrying cargo as low as 12½ cents a ton-mile.

Since the air mail is business which does not have to be solicited, and since the ground handling is performed by the Government, it is extraordinary that CAB should find that carrying the mail costs almost five times

as much as carrying cargo.

Put another fact alongside this. Ambitious young veterans have formed a number of air freight lines. For two years these small companies have waited for CAB to act on their applications to operate chartered routes. Thus far not a single application has been granted. Some of the little companies have had to fold up, a fact which one of the big five executives noted with smug self-satisfaction not long ago.

This is true even though cargo traffic and the development of cargo planes have lagged far behind both economic and military necessity. Every politician professes to be for little business and competition. Yet these veterans' airlines have not been given a chance to show what they could do toward developing the great potential of air cargo traffic.

ONE OF the few experts to interest himself in this phase is Langdon P. Marvin, jr. During his wartime service with the Navy, Marvin was chairman of the Air Cargo Priorities Committee, learning by actual experience in every corner of the globe how vital cargoes could be carried by air. To several congressional committees he has pointed out how urgent is the need for cargo development.

It is even more apparent on the military side. Military sources have estimated that 4000 cargo planes would be essential at the outset of a war in which the new-type German submarines would be used in large numbers. The certified airlines at present have fewer than 70 such planes.

It is not so much that the airlines are operating at a high ratio of cost to the Government. What is serious is that, so long as the cushion of the subsidy is there, the Nation is not likely to get the kind of expansion which is vital to national security both at home and abroad.

A thoroughgoing Senate investigation would look into the foreign field, too. Postoffice records show that Pan American Airways got \$16,656,624 in mail pay last year and is petitioning CAB for 11 million dollars more.

In Joseph J. O'Connell, jr., the CAB has a new chairman. A new member is still to be appointed. There is a chance to break away from the course of least resistance, which is increasingly to give everything to a few dominant companies. It will not be easy to change the pattern. But there is still time if there is also the will to make the change.



Childs