

Tigerreview

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NEW RATE STRUCTURE PROPOSED BY FTL

COSGROVE NAMED TO FTL BOARD

John C. Cosgrove, widely-known national insurance executive and Southern California civic leader, has been elected to the board of directors of The Flying Tiger Line, Samuel B. Mosher, chairman, announced recently.

Cosgrove, who is president of Cosgrove & Company, Inc., of Illinois, vice-president of affiliated Cosgrove companies in Los Angeles, New York and San Francisco and the National Agencies, Inc., succeeds the late Thomas J. Sullivan, of Pasadena, Calif., on the airline board. All other board members and officers were re-elected.

A director of each of the insurance companies with which he is associated, Cosgrove also is on the boards of the City Transit System of San Diego, the San Diego Transit Systems and the Los Angeles



John C. Cosgrove

Board of Harbor Commissioners. He is an advisory director of the Southwest Bank of Inglewood, Calif.

A native of San Francisco, Cosgrove is a graduate of Stanford University and served in the Navy during World War II. He lives in Los Angeles with his wife, the former Emille D. Dohrman of San Francisco, their son and two daughters.

Third Quarter Profit Near Half Million

With revenues increasing nearly 100 per cent, The Flying Tiger Line showed a net profit of \$440,000 after taxes for the September, 1955, quarter, or approximately 56¢ a share on 784,452 shares of outstanding common stock.

The September quarter results exceeded the air freight carrier's earnings for the entire preceding fiscal year, which ended June 30, 1955. Net income of \$400,188 was reported for that year. For the September, 1954, quarter, the airline reported a loss of \$168,000.

Net revenues for the September, 1955, quarter totaled \$5,900,000, compared to \$2,981,000 a year ago. The carrier earned a profit of \$276,000 on these revenues and had, additionally, a capital gain of \$357,000 before taxes. After taxes of \$193,000, a net profit of \$440,000 was shown.

"The company has made a complete recovery from the depressed conditions which it experienced a year ago," R. W. Prescott said.

"Revenues in our freight division now are running at the highest point in our history and our contract division showed the largest revenues in our peacetime history in the past six months. We look forward to a continuation of this increased business in the current quarter, which normally produces the largest freight revenues of the year."

New transcontinental air freight rates ranging between nine and 13 cents a pound for large volume shipments have been proposed by The Flying Tiger Line in the long-heralded move to bring air charges for major sources of freight down close to surface costs.

FREIGHT INCREASES 100% IN NINE MONTHS

An increase of more than 100 per cent in the total number of pounds of freight handled on The Flying Tiger Line this year was reported by Ed Hembre, superintendent of stations.

In January, 1955, the airline handled 9,011,874 pounds. Nine months later, in October, the company's freight stations handled 18,713,552 pounds.

During this same period, the average time for DC-6A turnarounds, officially scheduled at three hours, dropped to an average of two hours.

The proposed reduction, which would require the lowering of present minimum air freight charges, was made to the Civil Aeronautics Board in Washington, which must approve all rate changes.

30% Reduction

If accepted by the CAB, the new formula would range from 3/4 to 7/8 cents per ton mile under the present minimums, or an effective reduction of about 30 per cent. At this level, air freight would be much closer to transcontinental truck and rail rates for most commodities in the "hard goods" classification.

In announcing the proposed rate formula, Robert W. Prescott, Flying Tiger president, said:

"It is generally conceded that the great potential for air freight will be penetrated only when lower rates than those now prevailing can be offered.

"We believe the time is now here when such a rate structure is fully sustained. The years since the initial order of the CAB establishing rate minimums in 1948 have been marked by a substantial growth of air freight volume and by the production of large cargo aircraft capable of carrying approximately 42,600 pounds, or more than 21 tons of freight, nonstop over distances as much as 2,000 miles.

Incentive Rates

"These aircraft, with their large volume, long-haul characteristics, now make it possible for the carrier to offer incentive rates that will bring into the air large volumes of traffic now restricted to surface transportation."

The Flying Tiger proposal would apply to shipments in excess of 10,000 pounds. Existing rates offer no reduction on shipments larger than 10,000 pounds.

The formula on which the proposed rate structure will be computed is the same as that under which existing rates have been established. It is based on a charge of so many cents per ton mile generated. The present formula carries a restriction limiting rates to a minimum charge of 20 cents per ton mile for the first 1,000 ton miles in any one shipment, and 16.25 cents per ton mile for all remaining ton miles.

Two Additional Provisions

Flying Tiger proposes to add two additional provisions to this formula. Existing charges would prevail on shipments up to and including 10,000 pounds, but would give a substantial reduction to volume shipments in excess of 10,000 pounds. The formula would be changed as follows:

1. For the first 1,000 ton miles in any one shipment, 20 cents per ton mile. (Present have.)

Double Whammy Sets 24-Hour Record

"The Double Whammy?"

If you have heard that phrase around FTL in recent weeks and wondered where it came from, the answer is that we really don't know but it is completely descriptive of the newest, fastest freight service ever put together by an airline—the record-breaking DC-6A schedule which jams two transcontinental trips per airplane into a single 24 hours.

EX-TIGER BECOMES CENTRAL CALIFORNIA AGENT FOR FTL

The appointment of Van S. Hurd, formerly with FTL Sales at SFO-OAK, as the airline's general agent for Central California was announced by George Zentler, sales manager at OAK.

Hurd, who is owner and general manager of Nilsson Transfer Co., of Stockton, said FTL traffic from the area will be handled by a subsidiary company, Expanded Express. The region will embrace the territory from Lodi to Fresno and Hurd said he expected to generate a very substantial increase in traffic because of a new special commodity rate recently made effective on eastbound shipments of hatching eggs.

The region is the nation's largest turkey-raising center.

Hurd said the new rate plus the airline's recent inauguration of service to the Minneapolis-St. Paul area will do much to develop this traffic. The Minneapolis-St. Paul region is second only to the Central California area in turkey-raising and there is a heavy movement of eggs from California suppliers to the Upper Midwest region.

Plans Under Way for Weeks

Plans for the service had been underway for weeks when Vice-President Frank Lynnott decided to prove in reality what his staff had drawn up on paper, October 20 was the birthdate of the "Double Whammy."

The operation began at EWR. Here's what happened in the next 24 hours:

The first DC-6A departed EWR at 2:20 with 29,000 pounds and hit BUR at 06:06. At 07:54, it departed BUR and arrived back in EWR after a stop at RML, at 20:37. Its return load was 25,000 pounds and it was in transit 19:57 hours out of the 24, a record-breaking utilization of aircraft.

The second DC-6A departed SFO at 22:00 with 29,500 pounds, stopped at CHI and terminated at RML at 10:15. It left RML at 12:30 with 30,000 pounds and was back in SFO at 19:15. Hours of utilization were 17:00.

The third DC-6A departed BUR at 2:30 with 26,700, stopped at CHI and arrived RML at 10:40. At 12:30, it left RML with 31,000 pounds and was back in BUR at 18:00. Hours of utilization were 17:00.

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October Traffic Highest In FTL History

Air freight operations of The Flying Tiger Line reached the highest point in the company's history in October, when the carrier flew 6,301,635 ton miles of traffic, a gain of 92 per cent over the same month a year ago, according to Fred Benninger, general manager.

The October volume, climbing a 10-month record in FTL traffic, was 25 per cent ahead of September, 1955, when the carrier moved 5,037,030 ton miles of freight.

For the 10-month period of 1955, the airline reported 47,997,435 ton miles of freight, compared to 30,574,475 for the same period last year, an overall gain of 57 per cent. The figures included both domestic and overseas freight operations.

FTL's expanding foreign service connections moved up another notch this month with the signing of an interline agreement with Aerovias Panama Airways and Guest Aerovias Mexico, Mayo Thomas, interline manager, announced.

FTL OFFERS NEW LOW-COST TOURIST RATES TO EUROPE

Vacations in Europe, once the enjoyment of the millionaire, now have become a reality for the average American family.

Where it once cost a small fortune to go abroad and see the sights of history books, a vacation in Europe now can be obtained for a few hundred dollars so far as transportation costs are concerned.

The reason? A revision of policy by the Civil Aeronautics Board, permitting low-cost group tourist traffic across the North Atlantic. And in the midst of planning for 1956 travel will be found the Contact Operations Division of FTL, offering the lowest possible rates to European vacation spots.

\$290 Round Trip

The new CAB policy permits an homogeneous group—that is a group of people related to some identical purpose—to charter an airplane and fly abroad at new low rates averaging at the most about \$290 per person for a flight from New York to London, Amsterdam, Brussels or Paris and return.

FTL began operating under the policy last summer. We flew such groups as Methodist, Y.M.C.A. delegates, Jehovah's Witnesses, British Explorer Scouts, French Boy Scouts, Lebanese Catholics, college groups, Jamaican emigrants, Federal Government employes, G. I.'s on furlough and many others between Europe and the United States.

How is it done? The procedure is simply this:

A leader within a church, school or any other like group such as recreational clubs, gets a group of members together and charters an FTL passenger ship. The rate for a 68-passenger DC-4 is \$20,000 between June 1 and October 1 for the round trip which figures out to about \$290 a person to simulate off-peak traffic during these four

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BURNS' TEAM 'BURNS' CHICAGO RAMP

"We're ahead of schedule again!" That seems to be the slogan at Chicago, where the cargo crews of Station Manager Vally Burns are "burning" up the ramp to get freight on and off the airplanes at a record pace.

"Had only one delay in station last week," observed agent Gil Mason. "Of course, the east-bound Sixes had Burns' team ahead of schedule with good departures out west and good tail winds and we've been seeing that they kept it that way when they left here."

The boys were particularly happy about the hot-shot New York-Chicago early morning flight with forwarder traffic. "We've had it unloaded and the freight ready to truck before the shipper even showed up," Mason said.

The station hopes to come up with extended ramp space for handling the big forwarder traffic before long.

As the airline's only mail point, CHI has been handling about a 1,000 pounds nightly for EWR and expects the load to grow to 1,500 pounds with the change back to standard time.

New staff additions at CHI include H. L. Scarate, T. Washington and E. J. Dillenberg, cargo handlers. However, Dillenberg can hardly be called "new." He started loading cargo for FTL in 1945, when Monarch was the owner of the company's ships at CHI and had been working part-time until he decided to make the job a full-time effort.

New Rate Structure . . .

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2. For all or any portion of the remaining ton miles which accrue in a 10,000-pound shipment, 164¢ cents per ton mile. (Present base.)

3. For the first 10,000 ton miles which accrue over and above those already charged at 20 cents and 164¢ cents in any one shipment, the rate would be 13 cents per ton mile. (New base to be added.)

4. For all the remaining ton miles which accrue over and above those charges, the rate would be 9 cents per ton mile. (New base to be added.)

The effect of such a reduction on a 50,000 pound shipment was illustrated in a rate table presented to the CAB. For example, a 50,000 pound shipment moving from New York to Los Angeles represents 61,275 ton miles, or 25 tons times the distance of 451 miles. Under the present formula, the first 1,000 ton miles would be charged at 20 cents per ton mile, all the remaining ton miles, or 60,275, would be charged at 164¢ cents. The overall rate figures out to 19.9 cents per pound.

Proposed Formula

Under the proposed formula, the first 1,000 ton miles would be charged at 20 cents, the next 11,255 ton miles at 164¢ cents, the next 10,000 ton miles at 13 cents, and the remaining 39,020 ton miles at 9 cents. The overall rate would average 13.6 cents per pound, or a reduction of approximately 32 per cent.

Similar reductions would apply to shipments between other air freight terminals on the FTL system.

Prescott pointed out that with such rates, the air freight industry would be able to draw into the air large volume shipments which would be profitable to the carrier and which now cannot move by air because of the lack of a decreasing rate with increasing volume.

"The new large volume which

THE CHINNIN' BAR

By NANCY TARR

Quite a notion farewell party for Kathy Papiri was held at the Queen of Clubs. Kathy has a lovely voice and during the luncheon she sang several songs.

Anytime you're looking for Ed Hembree and can't find him, try the gum machine. He's crazzzzzz about gum!

Have you seen Dorothy Phillips' new buggy? (A brand new Merc Montclair.) It's a beauty! A two tone job of "Glamour Tan" and white. And here's a tip . . . when you refer to the tan, be sure you specify "Glamour Tan."

Eating out at the Candlelight Inn in Panorama City—shortly after payday—were Veva Temple, Janet Olson, Dorothy Phillips and Nancy Tarr. Very nice. Ex-Tiger pilot Boyd O'Donnell is the owner.

More people coming and going from vacations . . . Shelly Green returned from a wonderful European jaunt; Katherine Smith, ditto; Evelyn Homer took a trip to Kansas City, Mo.; Olivia Gunklack spent her vacation relaxing at home; Sadie Elliott returning from Las Vegas where she had a ball gambling away her millions; Veva Temple home again from her trip to Canada.

Speaking of Canada, Howard Bayne and Jerry Casey are recording "Calls of the Wild" with Jerry's new recorder. Guess they're having a ball!

New faces—Kay Fischbein, Mr. Moldavants's new secretary; Mary Haentze, new addition to Cost Accounting.

New babies—(or Cigar & Candy Passing Department)—Mr. & Mrs. Manny Matuszew welcomed a baby boy Oct. 13, named Lawrence Anthony, tipping the scales at 6 1/2 lbs. A cute little girl, Kathie Elaine, made her appearance at the Ken Albertson's household on Oct. 22, 2230 PST, weighing in at 7 lbs.

How about . . . Janet Olson's new car, a British Consul? Frances Fletcher doing (?) mph down Glen Oaks Blvd.? Finally slowed down enough to enable John Law to catch up with her and give her a ticket. (She won't tell us how fast she was going!) Teh, teh!

Joe Healy and family moving to the Sunny West Coast.

would be developed would come from such sources as the military, from importers of goods arriving by water and which move into the interior of the country in amounts up to 40,000 pounds, from large industrial shippers moving large volumes of products by surface, and from forwarders who with the incentive of lower rates for weights in excess of 10,000 pounds will develop new markets. Much of the traffic moving by rail expresses and other surface means would be attracted to air movement if the proposed rates are made effective."

He also foresaw the new rates as a major step toward opening the vast perishable market to air freight. "This market can be tapped only with low rates," he said.

From the standpoint of the carrier, the new rates would lower costs in several ways, Prescott declared. The rates, by creating backlogs, would permit greater utilization of aircraft, especially during daylight hours. Since utilization is a prime factor in operating costs, more flying hours added to an airplane's daily performance decreases its operating cost to the carrier. Physical handling of freight would be reduced with a consequent further decline in loss and damage expenses. Finally, airplanes could be flown directly between long-haul points, without the necessity of intermediate freight stops to "build up" the load, thus materially lowering operating costs.

Double Whammy . . .

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Highest Fleet Utilization

In 24 hours, these three ships achieved a total utilization of 54.27 hours out of a maximum 72, or three times 24 hours, which probably is the highest fleet utilization ever achieved.

They moved a total of 171,200 pounds of freight, or the equivalent of 374,400 ton miles and they flew a total distance of 13,100 miles.

With the rest of the FTL (freight ton miles) and C-46's operating under their normal schedule, the airline on a single day thus moved approximately 502,500 ton miles of freight, which broke all known records.

To get an idea of the size of the volume of freight moved, it was equivalent to all the ton miles FTL flew in its first full year's operation! The 24-hour record was nearly three times as much freight as FTL averaged per day in the preceding month of September.

Split-Second Timing

The job took split-second timing. For example, when the westbound crews refueled at Grand Island, the captains telephoned BUR and gave Maintenance the "squawks" so that when the aircraft hit BUR, it found the ramp loaded with mechanics and the necessary parts all laid out for immediate installation.

Cargo crews hit the aircraft like a swarm of bees. The performance at EWR, RML, CHI, SFO and BUR was little short of phenomenal but it proved Lynton's theory that you can use an airplane and run a freight schedule with far greater intensity than is commonly accepted if the job is properly planned, properly manned and if you have the freight.

The operation has been repeated five times since the first trial, with almost total success.

Twice a Week

"We are trying to run the operation twice a week," Doug Smith, superintendent of flight control, said. "That is the most we can make with the present fleet. We do it if we can, weather, freight and maintenance depending. If it looks like we can't do it, we call it off, or if we get started and it falls apart, we promptly stop it. But with reasonable breaks, we can do it twice a week."

P. S. We said we didn't know where the name of the flight, "The Double Whammy," came from. George Zettler, OAK, came in as we were ending this and said:

"Don't you read Lil' Abner?"

SALES DEPARTMENT ANNOUNCES NEW APPOINTMENTS

Frank Clain, district sales manager at CHI, has been transferred to EWR as sales manager, succeeding Frank Rogers, who resigned to enter another field.

Walter Bowman, district sales manager at Cleveland, moved to Dayton as district sales manager, while Joseph Sutter, on the sales force at CLE, took over the district sales job there.

Bob McGehe, on the CHI sales staff, was named district sales manager at CHI succeeding Frank Clain.

A series of new appointments in the Sales Department has been announced by Pete Albert, general sales manager.

Bob Blanks, formerly at OAK, became district sales manager at RML, replacing George Torney, who transferred to EWR Sales.

TIGERS FAST SERVICE

PREVENTS SHUTDOWN

FTL service drew a round of applause from two customers at Minneapolis-St. Paul and Boston for a job performed in October which prevented a factory shutdown.

Writing to Station Manager Ed Trott, Fred A. Schletz, president of the Miracle Paint Rejuvenator Co. of St. Paul, said:

"We are enclosing a letter . . . which we are of the opinion should be used in your advertising or business solicitation as you see fit. We also wish to thank you for the wonderful service in this instance and hope to be able to use your service more frequently in the future."

The letter Mr. Schletz referred to was from Edward A. Monier, of the Franklin Paint Company, Inc., of Franklin, Mass. It said:

"We have your letter of October 26 and wish to thank you for the prompt service you gave us. When our Blue-Boy ship cracked, we were resigned to a few weeks of delay—which would cause us considerable trouble and lost time—but here we are back in operation in under two days. It's slightly short of miraculous!"

The Flying Tigers delivered your shipment on noon on the 27th of October and we were in operation one hour later. Your cooperation in this matter makes our simple thank you seem inadequate, but we did want you to know we really appreciated your fast and complete action."

JARVIS PROMOTED TO CHIEF NAVIGATOR

E. A. Pinke, superintendent of flight operations, announced the appointment of Len Jarvis, EWR, as chief navigator, effective November 15.

Jarvis, who will transfer to the BUR headquarters, joined the airline in 1950 as a radio operator and became a navigator in 1951, spending most of his assignment out of EWR.

Tourist Rates . . .

(Continued from page 1)

months and minimize empty legs of round-trip operation, we have an incentive rate of \$6,800 west-bound from Europe to the United States in June and July and east-bound, from the United States to Europe, in August and September.

Rate Drops

During the other eight months of the year, the round-trip rate drops to \$16,000 for the airplane. If groups traveling during those months, it is true that weather in England and Northern Europe is not too pleasant in winter, but there is a lot of country south of that line that is delightful, such as Italy, Spain and the Mediterranean.

However, the winter sports season is at full swing in winter, the famed European festivals take place in the fall, when weather is good and many experienced tourists visit during spring as one of the most delightful seasons in Europe. Tourist prices are always at their lowest level in these months.

It is expected that traffic next summer at these rates will be very large, so if you are interested in organizing a group, or if you know a group that would like to travel to Europe and hasn't been able to because of the high cost, contact Vice-President L. C. Burwell, Jr., at Washington, who is handling the tourist program, or Parker Goldsmith, director of contract operations at BUR.

Additionally, FTL has opened an international charter division office at 250 West 57th St., New York.

Tips for Salesmen . . .

(Continued from page 3)

on the course long enough you are sure to arrive.

Did you know . . . that of 46 FTL personnel engaged in daily direct selling to customers and prospects, one has 10 years service with the company in selling; 17 have five or more years sales service; six have four or more years sales service; and the total of 46 has an average of four years selling experience with our company.

Did you know . . . that FTL sales personnel spoke before more than 29,000 people at civic and transportation meetings during the first 10 months of 1955.

Did you know . . . that the Burbank station has grossed 175% more dollar revenue during the first 10 months of 1955 than its entire revenue for the year 1954. The New York station is ahead to almost exactly the same degree (within 1%).

Did you know . . . that New York and Burbank combined, for the first 10 months of this year have exceeded in dollar revenue the entire FTL system for the year 1949.

The following stations, as of Nov. 1, are already substantially ahead in revenue as compared to the 12 months of 1954: Cleveland, Portland, Detroit and San Francisco.

Minneapolis-St. Paul, the newest station of them all, is progressing in line with original forecasts.

For the period July 1, 1955 to and including Oct. 31, 1955, the rank of FTL stations based on gross inbound revenue produced is as follows:

1. New York
2. Burbank
3. San Francisco
4. Detroit
5. Chicago
6. Cleveland
7. Milwaukee
8. Philadelphia
9. Boston
10. Hartford
11. Seattle
12. Binghamton
13. Oakland
14. San Diego
15. Portland
16. Akron-Canton
17. Buffalo
18. Providence
19. Grand Rapids
20. Rochester
21. Toledo
22. Minneapolis-St. Paul
23. Sacramento
24. Stockton
25. Albany
26. South Bend

For the same period, the rank of FTL stations based on inbound revenue to that station is as follows:

1. Los Angeles
2. New York
3. Chicago
4. Seattle
5. San Francisco
6. Oakland
7. Detroit
8. Philadelphia
9. Boston
10. San Diego
11. Cleveland
12. Portland
13. Hartford
14. Milwaukee
15. Albany
16. Binghamton
17. Buffalo
18. Akron-Canton
19. Providence
20. Minneapolis-St. Paul
21. Sacramento
22. Grand Rapids
23. South Bend
24. Rochester
25. Toledo
26. Stockton