

Tigerreview

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FTL Asks Passenger Route, Subsidy Review

TIGERS FILE FOR PROPOSED NEW CALIF.-FLA. PASSENGER ROUTE

Robert W. Prescott, president of The Flying Tiger Line, announced that the airline has filed an application with the Civil Aeronautics Board asking for passenger, property and mail rights on the proposed southern transcontinental air route between Florida and California.

The application marks the first attempt by the airline, now the nation's largest all-cargo air carrier, to win passenger transportation rights within the United States.

"We are taking this step for several basic reasons," Prescott said.

"First of all, this would be a new route and we believe we have as much right to serve it as anyone else. The route will provide the same complete transcontinental service across the southern part of the United States as is now provided by other carriers between the eastern seaboard and the west coast. The route would complement the present scheduled operations of our airline for property and mail between the east and west coasts.

FTL 'Positive Stand'

"Secondly, the Civil Aeronautics Board, in the 14 years we have been operating, has repeatedly introduced new competition by the passenger lines over our freight (Continued on Page 2)

Cuppett Upped

The appointment of Joe Cuppett as Supervisor, Atlantic Maintenance, was announced by James McLachlan, Manager, Maintenance and Engineering.

Cuppett will be in charge of maintenance for the Atlantic and European areas, with headquarters at New York International Airport. He was formerly Maintenance Representative at Tokyo and will be succeeded there by W. Curran.

Tiger Picnic At Sunset Farms On June 29

Employees and their immediate families again have fun in store for them at the forthcoming annual Flying Tiger picnic at Burbank. Sunset Farms will be the place. The time will be from 11:30 A.M. to 8:00 P.M. on Sunday, June 29. Barbecued beef dinners will be served by Alec's Famous Barbecue. Other refreshments will include draught beer and soft drinks.

Highlighting the day will be the presentation of the Service Pin Awards. This will follow a door prize drawing.

Children will enjoy Kemsley's Kiddie Carnival's rides; and if they are too young for this, baby-sitting will be provided. There will be baseball, swimming, ping-pong and other games for adults.

Dancing will also be going on throughout the afternoon and evening with a juke box playing top recordings.

Tickets can be obtained by employees in the hangar from Laurie Marks in the Personnel Department. Employees in the main office building can get their tickets from Bob Brunner.

9-Month Earnings Total 44¢ per Share

Net income and special items totaling \$465,117, equal to 44 cents a share on 983,635 shares of outstanding common stock, were reported by The Flying Tiger Line for the nine months ended March 31, 1958. In the same period last year, the carrier showed a loss of \$304,205.

Revenues for the nine-month period climbed more than 50 per cent to a total of \$24,532,692, compared to \$16,084,320 last year. Net income from operations was \$34,532, against a loss of \$1,054,590 last year. Gains after taxes from the disposal of aircraft totaled \$671,477 for the nine-month period, compared with \$303,829 a year ago. Other expenses with an off-setting tax credit reduced the final net income figure to \$465,117.

President Robert W. Prescott said that while the third quarter of the fiscal year showed a loss of \$619,029 from operations, "it is expected that the final quarter will increase the nine-month operating profit of \$34,532 substantially."

He said the recent sale of the line's last two DC6A aircraft had produced a substantial profit, enabling the company to purchase another Lockheed Super H Constellation and standardize its fleet of large planes into a single type. The carrier now operates 13 of these aircraft, permitting considerable economy in fleet costs.

The U.S. Post Office Department reports that 1,672,373,000 pieces of Air Mail were carried domestically and internationally during 1957.

CAB Asked To Exempt Tigers & Others From No-Subsidy Certificate Proviso

The Flying Tiger Line has joined three other air-cargo carriers in asking the Civil Aeronautics Board for an exemption from the provisions of their certificates denying them subsidy assistance.

Already on file with the Board are applications from Riddle Airlines, Slick Airways and Aaxico Airlines asking for the exemptions as a result of the business recession and the increasing competition which the Board has authorized passenger lines to fly over freight routes.

Flying Tigers said that while it was "not now coping with the immediate financial crisis faced by the other all-cargo carriers," it was entering the case because, as the largest and oldest of the cargo airlines, it has the "largest stake" in any action the Board might take.

FTL Reveals Subsidy Facts In Application

Flying Tiger's application in connection with the all-cargo subsidy restriction brought out some highly pertinent facts about the problem of operating an airline under today's CAB and Military policies.

The application showed that while the air freight industry has grown rapidly, with annual increases of traffic since 1950 ranging between 4.6 and 27.6 per cent, Flying Tiger's own air freight growth has outstripped the industry. In three of the years since 1950, its percentage of growth has been higher than the highest year attained by the industry—34.6, 61.5 and 79.5 per cent against 27.6 per cent for the industry.

The application commented thus on this factor of growth:

"Flying Tigers has created and maintained its air freight position at great cost and sacrifice, a cost and sacrifice justified only by the prospects of a large self-sustaining business in the making. Its losses in creating a new industry have been met by it out of its own resources and thus far not by subsidy, the sustaining factor which characterized the development of its major trunk line carrier competitors."

Profits Told

The application went on to show (Continued on Page 4)

BUSINESS PRESS CITES TIGERS

Stories featuring operations of The Flying Tiger Line recently appeared in a number of national publications including *Business Week*, *Iron Age* and *American Federal Director*.

The *Business Week* story told of the increasing vacation travel to Europe and how low-cost group travel plans such as that pioneered by The Flying Tiger Line were taking more and more Americans abroad.

The stories in *Iron Age* and *American Federal Director* described the increasing use of air freight by American shippers and told of the predominance of The Flying Tiger Line in the all-cargo field.

FTL Families To Fly Free in The Islands

An agreement which will permit FTL employees and their families to obtain free transportation over the routes of Hawaiian Airlines has been forwarded to George Vaughan, Manager of Contract Operations for The Flying Tiger Line.

The airline serves all the Hawaiian Islands. Vaughan said that any employee desiring to make use of Hawaiian Airline service should contact the Flying Tiger Line Credit Union at Burbank, which will handle all pass requests.



Administrative Employees Committee. Three newly-elected members take office at the May meeting. Left to right are Dade Penrod, Public Relations; Ken Marietta, Personnel; Al Penrose, Maintenance Training; Nina MacDonald, Engineering; Janet Olson, Cost Accounting; and Rudy Valenta, General Accounting. Miss Penrod, Marietta and Valenta are new members. A program for better customer relations and the importance of the individual in it is among the top projects now under study by the committee.

FTL Stewardesses Praised For Handling Emergency

The courage and poise of three Flying Tiger stewardesses under emergency conditions affecting a passenger on a flight from Tokyo to Wake Island have brought high praise from military officials and fellow passengers.

The stewardesses are Susan Carll, Janine Benoist and Eleanor Reynolds, all based at San Francisco. The incident which brought them to the attention of officials occurred when a passenger on a MATS flight suffered a collapse and attempted suicide. The action of the stewardesses and two doctors riding on the flight is credited with saving the man's life.

Using a knife and broken glass from his spectacles, the man seriously injured himself in a lavatory on the Flying Tiger aircraft. The stewardesses, discovering the emergency, quieted the man with the aid of the doctors but in doing so, both Miss Carll and Miss Benoist were hurt.

'Did An Expert Job'

Lt. Gen. Joseph Smith, commanding general of MATS, wrote President Robert W. Prescott that "it is evident that the stewardesses, Misses Carll, Benoist and Reynolds, did an expert job in handling this unfortunate situation under adverse circumstances. I am most appreciative of the fine work done by these girls. Please convey my appreciation for a job well done."

Bill Kinnely, a Marietta, Ga., newspaperman, who was riding on the flight, wrote a graphic story of the incident based principally on the heroism of the stewardesses and the doctors. Saying that he would not have written the story except to call attention to the accomplishments of these people, Kinnely told of four hours of terror about a 99-passenger plane at 21,000 feet over the Pacific as the man cracked up. Then he added:

"I would stop this terrible story right here and write about Wake Island except I want you to know of the magnificent courage of a little registered nurse for The Flying Tiger Line, Miss Carll, and two other stewardesses and the coolness of two young Army doctors who kept the situation in check."

"Right here," he continued, "I doff my hat to the nurse, the stewardesses and the doctors. The situa-

Tigers Are Largest U.S. Freight Carrier

The leadership of The Flying Tiger Line as the nation's largest air freight carrier continued to mount in 1958 as official figures compiled by the Civil Aeronautics Board became available for review.

The CAB's reports showed that in January The Flying Tiger Line reported 8,120,935 air freight ton miles, which was 800,000 ton miles above Pan American, 1,300,000 ahead of American Air Lines and 3,700,000 higher than United Air Lines.

In February, FTL's ton miles totaled 6,602,333 — which was about 100,000 ahead of American and 2,400,000 above United. However, Pan American's total for this month ran about 1,200,000 ahead of FTL.

Figures compiled by The Flying Tiger Line from reports of other carriers show that FTL is carrying about 30 per cent of all the air freight flown within the United States.

tion could easily have caused panic on the plane but with the assistance of two strong GI's, for four hours the maddened man was restrained until we reached Wake, while the doctors and the nurse administered first aid and kept the man from bleeding to death.

"The passengers were told the man had suffered a hemorrhage. Not a half dozen, I believe, knew he tried to take his life or realized the gravity of the situation."

Another Milestone! Air Freight Cartoons!



TIGERS FLY-IN NEW MEDICINE

A four-year-old Amarillo, Tex., boy, critically ill from a fungus infection affecting his eyes, nose and mouth, received emergency doses of a new drug which was flown to his bedside at the Itazuke Air Force Base in Japan on a Flying Tiger flight. Its departure was delayed for the emergency.

The child is the son of a Navy Engineer, Larry Montgomery, stationed in Japan. The drug was rushed from San Francisco to the waiting Tiger plane at Travis Air Force Base, and reached Japan in time to combat the infection.

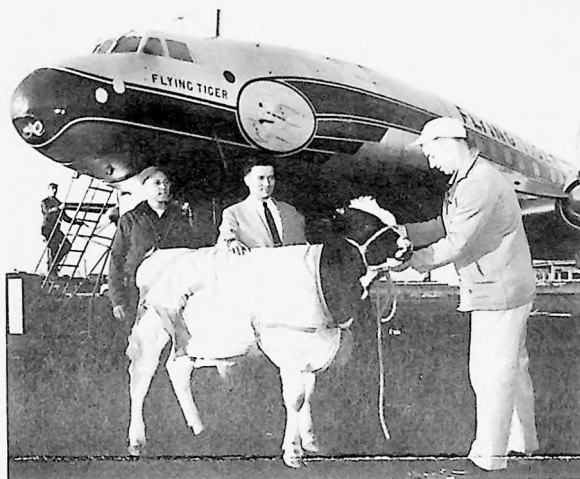
TIGERS BUY 13th SUPER H CONNIE

Robert W. Prescott, president of The Flying Tiger Line, announced that the airline has purchased another Lockheed Super H Constellation air freighter for its domestic and overseas fleet, giving the carrier a total of 13 of these ships. Purchase price is approximately \$2,300,000.

He said the new aircraft would replace two DC-6A freighters which have been sold to United States Overseas Airline.

"With this purchase," Prescott said, "we have established basically a one-airplane-type fleet, the Super H Constellation to replace the mixed fleet of Constellation, DC-6A and C-46 aircraft we formerly operated. This will have a beneficial effect on both our fleet efficiency and our operating costs."

BULL MARKET FOR TIGERS



The advantages of shipment of livestock by Flying Tiger has apparently created a "bull market" in this specialized field. Most recent of these prime passengers was this young bull calf carried by FTL from EWR to SFO. The young calf shown here with Bill Carthy, Customer Service Representative at EWR (center) and two handlers was trucked from the Trappist Monastery in St. Joseph's Abbey, Spencer, Mass., to EWR shipment to SFO to make connections with a steamship for Japan and its new home on the farms of a Trappist Monastery in Hokkaido. The shipment was handled by the Catholic Relief Services. The Trappists still maintain most of the original monastery set-up of centuries ago. Each monastery has a carpenter, electrician, farmer, and other specialized artisans, to provide them with a practically self-sufficient living.

FTL Files for Route

(Continued from Page 1)

routes. We feel it is time we take a positive stand on this matter of constantly increasing competition and that we be given the same right on this new route to fly passenger traffic as the passenger lines have the right to fly freight traffic over our present routes."

Although now limited to freight transportation within the United States plus some military passenger traffic, The Flying Tiger Line long has been the largest overseas contract carrier of passengers, averaging as many as 6,000 passengers a month on its trans-Pacific and North Atlantic operations.

The proposed route, which is being sought by seven other airlines, is between Miami, Fla., and San Francisco, via Orlando, Jacksonville and Tampa, Fla., New Orleans, Houston, San Antonio, El Paso, Tex., San Diego and Los Angeles.

KNOW YOUR FLYING TIGERS

Eighth in a Series of Company Officials and Department Heads



James McLachlan

Manager, Maintenance and Engineering. Formerly Director of Aircraft Maintenance at Columbus, Miss., Air Force Base and Moore Air Force Base, Mission, Tex., he joined The Flying Tiger Line in 1957 after 15 years of supervisory aircraft maintenance experience. He began his maintenance career with the Marine Corps in World War II and subsequently worked for United Air Lines, Transocean Air Lines and California Eastern Airways. Born in San Francisco, he attended the University of California and the Maxwell Field, Ala., Aircraft Maintenance School.



James F. Parker

Credit Manager. After a 20-year career with the Firestone Tire and Rubber Co., he came to The Flying Tiger Line in 1957 to supervise the airline's credit department. A graduate of the University of Wisconsin, he started his career with Firestone in 1937 at Chicago. Subsequently, he was named district credit manager at Minneapolis. During World War II, he was a lieutenant commander in the Navy. After the war, he transferred to the Pacific Coast, taking over the Santa Barbara, Calif., area for Firestone, and later worked in both the Phoenix and Los Angeles areas.



Constantin Moldaw

Assistant to Vice President Operations. In charge of fuel and properties, "Ski" joined The Flying Tiger Line in 1951 after a career abroad that rivals fiction. A native of Rumania, he was a colonel in the Rumanian Air Force at the start of World War II, was captured and escaped from the Germans to serve the British as an intelligence officer in a series of hair-rising spy missions. At war's end, he returned to the Shell Oil Company, where he had worked before the war, becoming assistant aviation manager in the Middle East. He was aviation manager for Shell in Italy when he left to join FTL.



Viva Temple

Payroll Supervisor. The third woman to come to work for The Flying Tiger Line, she joined the Accounting Department as a statistician in 1946 at 80 cents an hour. Shortly thereafter, she became a clerk in Accounting and began handling company payrolls, a job which she has administered ever since, first as Assistant Section Head and then as Section Head. A native of Edmonton, Canada, she met her husband, Russell, there during World War II. After the war, they went to Philadelphia, then moved to Southern California. She joined FTL while he went to work for The Broadway, one of Los Angeles' largest department stores, where he is now a top-ranking buyer.



John Dewey

Superintendent of Line Maintenance. One of the airline's first employees, he joined the company in 1946 as a mechanic at Los Angeles International Airport. He became a leadman in maintenance, then foreman and in 1953 he was appointed General Foreman of Modification and Overhaul. He was named Assistant Superintendent of Maintenance in 1955 and took over his present position in 1957. A native of Liberty, N. Y., he joined the Marine Corps on his graduation from high school, becoming an aviation mechanic and then a navigator, serving six years. After the war, he joined Roosevelt Aviation Co., New York, and shortly thereafter, he came to the Tigers.

'Truth or Consequences' Show Has Albert Visiting Eva Gabor

How a Flying Tiger housewife caught her husband in the luxurious New York apartment of a glamorous actress only to find out she was a "victim" of NBC's famous "Truth or Consequences" program was vividly portrayed on May 14 in a nationwide broadcast from Hollywood.

The "victim" was Mrs. Ruth Albert, wife of the airline's general sales manager, Pete Albert.

It all came about when John Dougherty, associate producer of the Ralph Edwards Show, called the airline to ask if there was someone who'd like to participate in the program and win a prize. Pete said he'd be glad to help the company publicity effort to say nothing of a new washer and dryer he needed for his new home—the program prize.

'Popular' Pete

The plot called for Pete to tell his wife that he was going to New York on a business trip. Since, ostensibly, that would require him to be away over Mother's Day, Pete said he left with about as much popularity as a skunk at a picnic. Instead of going east, he spent the night with friends, then showed up secretly at NBC's Burbank studios the next afternoon a couple of hours before showtime.

Meantime, a close friend of Mrs. Albert had been alerted by the show and she got Mrs. Albert to accompany her to the studio on the pretense of seeing a show in which the friend's husband was interested. When Mrs. Albert got to the studio, Emcee Steve Dunne of "Truth or Consequences," induced Mrs. Albert to play a female counterpart of Edward R. Murrow on his "Person to Person" program.

She was told that the noted actress, Eva Gabor, would be her guest and was given a list of questions upon which to interview Miss Gabor, who, presumably, was in her New York apartment. Thinking that the interview was being accomplished through a transcontinental cut-in of two TV screens, Mrs. Albert began to ask the questions, which were soon interrupted by a ring on the apartment doorbell.

Then to the utter amazement of the Flying Tiger housewife, she saw her husband walk into the apartment to be greeted by Miss Gabor with something like — "Darling! Where have you been? It's wonderful!"

Mrs. Albert Speechless

Mrs. Albert clasped her hands to her face, shook her head in disbelief and was so thunderstruck she was left speechless. In answer to a question by Emcee Steve Dunne, she finally exclaimed:

"Why, that's my husband . . . but it can't be . . ."

She remarked that he had left for New York only the night before.

Then, suddenly, Dunne withdrew a set of curtains and to Mrs. Albert's further surprise, she found Miss Gabor and Peter standing directly before her. They had been all the time in another set just off the same stage in which Mrs. Albert was conducting her interview.

There was a joyous reunion upon the stage before a large audience of studio viewers who clapped noisily and then Mrs. Albert's joy at finding her husband actually in Burbank instead of New York and home for Mother's Day after all, was compounded when she was presented with a new combination Westinghouse washer and dryer set for her new home.

An hour after the show, Mrs. Albert was still exclaiming:

"I'm still just numb. I still don't see how they did it."



Peter Albert (L) plots with lovely Eva Gabor and television emcee Steve Dunne during a recent "Truth or Consequences" telecast in which they led Mrs. Albert to believe that Pete was Miss Gabor's welcome guest in her plush New York apartment.



Still a little tense over seeing her husband in the apartment of Actress Eva Gabor in what she thought was a live telecast from New York City, Mrs. Ruth Albert (L) finds it difficult to believe that she was the victim of "Truth or Consequences" gag. Miss Gabor and Emcee Steve Dunne explain the stunt to Mrs. Albert while her husband, Peter, who she thought was in New York, hopes their explanation satisfies his spouse.

APPRECIATION

— COPY —

Chrysler Corporation

Detroit 31, Michigan

Missile Operations 7 April 1958
P. O. Box 2628

Flying Tiger Line, Inc.
Detroit-Wayne Metropolitan Airport
Inkster, Michigan

Attn.: Mr. Paul Finazzo

Dear Sir:

Many of the Chrysler Missile and the Detroit Ordnance personnel have voiced their appreciation for the use of The Flying Tiger facilities while loading operations were taking place at Wayne Major Airport.

It being impossible for each to thank you personally, I would like to take this opportunity to let you know that we do appreciate your cooperation, and also extend their thanks to you.

In the event we may be of any service to you, please do not hesitate to let us know.

Yours very truly
G. H. Wilson
Traffic Supervisor

Variety Club Flight to Europe Opens 1958 Charter Season

The 1958 transatlantic charter season got off to a colorful start as 96 members of Variety International departed from Philadelphia International Airport in a true carnival setting on FTL's inaugural flight.

Several hundred Variety Club members assembled at the airport's Skyview Restaurant to provide a deluxe bon voyage dinner party complete with orchids and champagne for the 96 Variety Club members and wives enplaning for London to attend the Variety International Convention. A second flight in this unique lift saw another group of 96 depart from New York's Idlewild International Airport a few days later.

Greeting members of the Philadelphia flight were guides dressed in typical circus ringmaster or "barker" outfits, and the passengers were made to feel at home in a circus-like atmosphere through the careful planning of Jack Drucker, Philadelphia Variety officer who organized the flight. The group started assembling at the airport for check-in early in the evening and everything ran smoothly to an on-time scheduled 10 P.M. departure.

Connie Draws 'Ah's'

Highlight of the evening for the assembled passengers was the arrival on the ramp during the dinner party of the Lockheed Super-H Constellation. Arriving well before scheduled take-off, the sleek aircraft dominated the view from the roof-top restaurant and drew "oh's" and "ah's" from the members, many of whom had never before flown in a trans-ocean aircraft of this size.

Friends and relatives of the passengers were given an opportunity to board the aircraft for a quick view before the take-off.

Included among the passengers were a number of leading officers of Variety International and prominent figures in the amusement, motion picture and entertainment distribution field.

Upon arrival in London members will attend a series of planned events including a reception tendered by Prince Phillip, and from there will leave on individually planned tours of the continent, rendezvousing again in Paris in May for return flights to this country.



Jack Drucker, center, lower step of ramp, of the Philadelphia Variety Club (Tent 13) wears a smile as he poses with other Variety Club officials and their wives after the gay bon voyage party. The colorful gentlemen on his left and right are attired in brilliant sequined ringmaster jackets and top hats, as just one of the amusement world circus touches provided for this inaugural flight of FTL's 1958 transatlantic charter season.



Part of the group of 96 Variety Club members are shown boarding their chartered Lockheed Super-H Constellation for a non-stop flight from Philadelphia International Airport to London for the Variety International Convention.

TIGER 'AERIAL CIRCUS' ADDS GORILLA AS LATEST PERFORMER

Another footnote to the lore of animal traffic on The Flying Tiger Line was added this month when "Scoop", a baby gorilla aged some where between 18 and 22 months, arrived at the Burbank terminal, enroute to the world-famed Balboa Park Zoo at San Diego.

Flown by Air France from Africa to New York, he was serenaded at the annual convention of the American Newspaper Publisher Association, then put aboard a Flying Tiger airfreighter for the final leg of his long journey to his new California home.

The gorilla was presented to the zoo by James Copley, chairman of the Copley Newspaper Corp., which publishes a chain of newspapers on the Pacific Coast and in the Midwest. "Scoop" was caught in the French Cameroon country of Africa only six weeks before.

Flies out of Crate

Weighing 22 pounds—he'll tip the beam at between 500 and 600 pounds at maturity—"Scoop" almost flew out of his crate when he arrived at Burbank and was freed by two zoo trainers, Emil Jouglet and Jerry Taylor. As Jouglet opened the door, the gorilla leaped on to his chest and wrapped his long arms in a vise-like grip about the trainer's neck, peering quizzically at a crowd of newspaper photographers and employee passers-by.

When Capt. Stu McMahon joined the group to get his first good glimpse of the passenger he'd flown west, "Scoop" greeted him by seizing his hand and then proceeded to take a nip, which McMahon hoped was playful. Just to be sure, he kept his hand at a distance thereafter while the press interviewed him.

"Best passenger I ever had," said McMahon. "Never said a word."

After his Burbank reception, "Scoop" entered a truck driven by the zoo trainers and at last glimpse he was riding out of the Tiger freight station still clinging to Jouglet's neck. Whether he ever let go, the Tigereview had not heard at press time.



Trainer Jerry Taylor gets ready to open the crate holding "Scoop."



"Captain," says "Scoop" to Capt. Stu McMahon, "I'm tired." Taylor watches carefully lest "Scoop" get un-tired.



"Scoop," Capt. McMahon, the trainers, Jerry Taylor, left, and Emil Jouglet right, and the airplane — in background — go down in history for another Flying Tiger animal story with Los Angeles newspaper photographers recording the arrival.

Vacation Fun Is 'In the Bag'

Do you look with envy at the pictures of happy vacationers boarding a Flying Tiger Super Connie bound for romantic far-off places? Do you imagine yourself walking up the loading ramp, clutching a beautiful blue and white FTL flight bag neatly packed with all the little "necessities" for your once-in-a-lifetime trip?

If you didn't make a wad of money on Silky Sullivan, or your rich uncle decided to delay his passage to another world, you may have to spend your vacation this year at the nearest public beach. But you can own one of those fancy flight bags. It's yours for \$1.25 — no tax or shipping charges!

If you've been looking for a neat little beach bag, or you need just the right carry-all for your athletic equipment, here's the perfect answer. They're made of sturdy blue sheen cloth, have extra-heavy bottoms and zipper openings. And, of course, the beautiful Flying Tiger name splashed across both sides.

Supply is limited, so first come — first served. Send \$1.25 in cash, check or money order to Dode Penrod, BUR Public Relations. You'll receive your flight bag by return company pouch.

FTL Reveals Subsidy Facts

(Continued from Page 1)

that while the airline has reported a net profit in every year since 1950 with the exception of 1954, in the last two years, 1956 and 1957, it had been able to do so only because of gains made on the sale of equipment. Actually, it experienced losses of \$95,000 in 1956 and \$614,000 in 1957 from operations.

"It has not proved possible under current conditions to offset air freight losses by collateral flying activity," the application said, referring to Flying Tiger's work in contract operations. "This is the fact facing the entire air freight industry."

Another highly significant fact, the application pointed out, was that Flying Tiger's current record of operating losses persisted in spite of the fact that the airline had taken every step to provide itself with the most modern and efficient air freight and contract fleet. "Even these aircraft with a high load factor and high utilization are not now capable of operating at a profitable level in the face of depression, inflating costs, low rates and depressed traffic," the application stated.

"The very existence of Flying Tigers with its modern fleet is threatened by the business depression and by the unequal competitive conditions imposed by carriers enjoying the full benefits of the Civil Aeronautics Act and the concern of the Board," the application declared.

Air-Freight Losses

On its 1957 air freight operations, the application showed that the airline had experienced a loss of \$1,614,742 averaging \$134,562 a month.

After referring to the problems of military traffic, which are reported elsewhere in this issue — failure of the Military to follow Congressional directives and the increasing competition set up by the Military in flying freight—the

application turned to competitive problems in the air freight field.

"Over the years in which the all-cargo carriers have pioneered the air freight industry, the CAB has granted a steady flow of new routes and new route extensions to the combination (passenger) carriers which overlay the all-cargo routes and over which the subsidy-eligible combination carriers have proffered air freight service, diluting the available cargo traffic," the application said.

"The competitors of the all-cargo carriers have thus steadily advanced their position in air freight. They have done so with all of the advantages of rights of costing cargo planes into mail pay bases and rights of subsidy. . . . Armed with mail pay and subsidy support, the combination carriers have added all-cargo aircraft to their fleets with impunity. Statistics as to the operating results of these all-cargo aircraft are not available but it is clear that, taking into account the lift claimed for the combination aircraft with the total air freight ton-miles reported, the all cargo aircraft are operating with low load factors and high costs.

"The all-cargo aircraft of the combination carriers are used almost entirely between points on the routes of the all-cargo carriers.

"Thus protected in their air freight service through mail pay and subsidy, the combination carriers have maintained unrelenting pressure upon the air freight tariff structure. They have maintained a dual rate structure discriminating against the points served by the all-cargo carriers. They have prevented increases in tariffs for points served by the all-cargo carriers, even though such increases would not attain the tariff levels for non-competitive points. . . .

"Although the Board has recognized the existence of these discriminatory rate practices, nothing has been done to safeguard the all-cargo carriers operating without right to subsidy."

No-Subsidy Clause Exemption

(Continued from Page 1)

commercial air transportation have been ignored, the airline charged, and at the same time the military has set up parallel air systems transporting military freight which could as readily be carried by the cargo carriers.

Dual Rate Inequity

The application asserted that for its part, the CAB, besides denying the cargo lines equal subsidy rights with the passenger lines, has consistently granted a steady flow of new routes and extensions to the passenger lines, overlaying the routes of the cargo carriers and further diluting the traffic. At the same time, the Board was charged with acknowledging the inequity to correct the abuse. Under such structures, the application declared, the passenger lines charged higher freight rates to non-competitive points of the cargo carrier and used this advantage to maintain lower rates to points competitive with the cargo carriers.

Flying Tigers said that air freight now is being carried at a loss throughout the industry and that only industry-wide changes in rates, competitive practices and fur-

ther growth of freight volume could overcome these losses. But such changes, it contended, would be extremely time-consuming and, in the interim, the all-cargo carriers could be eliminated. For this reason, Flying Tigers argued, immediate action by the Board to make subsidy assistance available was imperative.

Subsidy Payments Told

As to current subsidy payments, the airline said that while it made no contention that such payments to local service passenger and helicopter airlines were not in the public interest, it wanted to point out the relative positions of the two groups with the all-cargo carriers. It said the net worth of some 13 local service airlines was \$38,000,000 and last year they received in excess of \$23,000,000 in subsidy payments, while the helicopter carriers, with a net worth of \$5,800,000, received more than \$2,000,000 in subsidy payments. On the other hand, the all-cargo carriers, with a net worth of \$84,000,000, were eligible for no subsidy assistance despite the fact that the industry they have created makes a far greater contribution to the nation's air transportation system.



International air parcel post service was begun March 15, 1948, between the U.S. and 21 countries in Europe and the North Atlantic Service was extended to South America on September 4 and to the Pacific area on September 11 of that year.

Domestic air parcel post service in the U.S. and its territories and possessions was begun September 1, 1948.

* * *

Air parcel post — 10 years old in 1958 — is all mail carried by air weighing more than eight ounces and not more than 70 lbs. This service is now available to more than 60 countries of the world.

Assignments

With the re-designation of the Ground Operations Department as Freight Operations, Manager Joe Healy announced a revision of administrative job assignments. Shown here is newly organized staff, studying new terminal facilities based on the San Francisco plan. Manager Joe Healy (right) points out some of the features of the plan, to, left to right, Bud Whitney, Assistant to the Manager; Art Ives (seated), Assistant to the Superintendent of Stations; and Dean Sheets, Superintendent of Stations.

THE FLYING TIGER LINE

LOCKHEED AIR TERMINAL • BURBANK, CALIF.