

Tigerreview

OFFICIAL PUBLICATION OF THE FLYING TIGER LINE INC., BURBANK, CALIF.

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Congratulated on Speech

President Robert W. Prescott of The Flying Tiger Line is welcomed to a joint meeting of the American Society of Traffic and Transportation and the Los Angeles Transportation Club by C. G. Rickenbaugh (left) retiring president of the California chapter of ASTT, and W. T. G. Beckett, president of L.A.T.C. Rickenbaugh is west coast manager of the Radio Corporation of America and Beckett is district manager of Transmarine Navigation Corp.

Tigers, Riddle Airlines, Truckers Offer Improved Joint Service

Inauguration of a new expedited freight service combining air and motor transportation between west coast and southeastern United States terminals was announced this month by George Zettler, Assistant to the General Sales Manager of The Flying Tiger Line.

An extension of the "Sky-Highway" service inaugurated by The Flying Tiger Line and 33 motor carriers last summer, the new program combines the services of both Flying Tiger and Riddle Airlines and a large group of motor carriers associated with both airlines.

Through service will be provided between all air and motor carrier terminals on the Flying Tiger system in the west and all Riddle stations in the southeast as well as more than 80 new motor carrier terminals in Georgia, Alabama, North and South Carolina and Florida. Included in the service area are upwards of 60 military bases.

Overnight delivery of freight will be accomplished at some points. Second-day delivery is assured at most destinations.

Besides speeding up freight deliveries, the new combination service will permit single bill-of-lading on all shipments at the lowest available rates for such type of transportation. Other advantages include tailgate truck-plane interchange of freight;

elimination of truck terminal transfer delay since freight may be interchanged directly at the air carrier's terminals; advance manifest service enabling shippers to ascertain both the location of their freight and its scheduling arrival time; and movement of freight over daily, certificated scheduled air routes.

FTL Freight Percent Up

Airfreight ton miles of The Flying Tiger Line in July showed the only gain among the nation's major carriers.

The airline's percentage of total traffic among the Big Four—Flying Tiger, American, United and TWA—increased from 28.3 per cent in June to 29.8 per cent in July.

By contrast, the American percentage decreased from 35.3 to 34.8, United dropped from 26.4 to 25.7, and TWA declined from 10 to 9.7 per cent.

July was a record month in Tiger airfreight, with revenues rising to an all-time high of \$1,376,972.

The airlines have converted 314 long-range aircraft to CRAF, the Civil Reserve Air Fleet on call in national emergencies. Their lift is equivalent to flying 375,000 troops across the Atlantic in a single month.

TIGER PRESIDENT SEES VAST AIRFREIGHT RISE IN 5 YEARS

ABOUT YOUR CREDIT UNION

When you belong to a credit union you're not a customer. You're a member. *There's a big difference.*

As a member you are one of the owners. Your vote helps to control policy. You elect the leadership.

More personally, when you invest in or borrow from your credit union, you're treated like a member. *Your needs come first!*

Your credit union won't pamper you, or spoil you, or hurt other members in trying to help you.

But it will do its level best to prove itself one of the best friends you ever had. *If you will just let it!*

FTL August Freight Up 11.5% vs. '58

August air freight revenues of The Flying Tiger Line totaled \$1,283,348, a gain of 11.5 per cent over the same month last year, John L. Higgins, vice president, announced.

Although the lowest rate of increase for any month of the current year, the Tigers' August gain was the largest of any major air freight carrier, Higgins said. It was also the second record month of the year, being exceeded only by the July mark of \$1,376,972.

For the first eight months of the year, traffic totaled \$9,824,125, for a gain of 34.6 per cent over the comparable 1958 total of \$7,295,300.

Although most stations showed only a nominal gain in August over the same 1958 month, it was a banner month for at least two stations. Portland reported a gain of 67 per cent, making August the best month of the year, while Detroit showed an increase of 61.4 per cent. Although this was the lowest rate of gain for the year at Detroit, the increase still represented a substantial improvement over 1958. For the year to date, Detroit's traffic was up an impressive 171.1 per cent, the biggest increase of any system station.

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Jet Airfreight Planes Doom Long-Haul Trucks, Says Prescott

A seven- to ten-fold increase in air freight by 1965 was forecast by Robert W. Prescott, president of The Flying Tiger Line, in a discussion of the jet-age impact on air freight before a joint meeting of the American Society of Traffic and Transportation, Inc., and the Los Angeles Transportation Club at the Biltmore Hotel.

Airlines and Rail Express Set Service

A completely new approach to the management of air express service has been announced by the airlines and the Railway Express Agency.

Agreement has been reached, and a contract signed, that sets up a partnership between the airlines of Air Transport Association—of which Flying Tiger is one—and the REA that extends from a sharing of the revenues to the day-to-day details of scheduling express shipments over the nation's airlines.

The contract was signed by William B. Johnson, president, the Railway Express Agency, and, on behalf of 34 scheduled airlines servicing the U. S. and Canada, Stuart G. Tipton, president, the Air Transport Association of America.

"This agreement," they noted, "marks a long step forward in the management and operation of air express. For the first time, each of the two parties will have equal voice in the actual carrying out of the service. Because of this new, and closer working relationship, we will be able to offer the public an even better service."

The president pointed out that the total gross air express revenue forecast for the next five years runs to a quarter of a billion dollars.

"Air express is one of the fastest growing components of airline traffic," they said. "For the first seven months of this year, shipments were up more than 16 per cent and overall ton miles of express movement were up 21.4 per cent—the highest level of activity in air express history."

The agreement, which is being filed with the Civil Aeronautics Board for approval, runs for five years and is retroactive to August 1, 1959.

And if scientists, through the use of chemical additives, double the power of today's fuel, then "the long haul truck will go the way of the Pony Express," he declared.

Prescott based his predictions on the use that industry will be able to make of turbine-powered airfreighters now being manufactured. Flying Tiger, which has on order a \$18,000,000 fleet of 10 Canadair CL-44D ships, expects to have the new air giants in scheduled service by the spring of 1961.

Rates To Tumble

Carrying a payload of 73,000 pounds, or more than 60 per cent above today's largest airfreighters and flying non-stop coast-to-coast at 400 miles an hour, or one-third faster than present freight schedules, these ships will enable the airlines to cut rates as much as 40 per cent under today's tariffs, Prescott said.

"We expect to have rates on various commodities ranging from as low as 6¢ per ton mile to 20¢ per ton mile," he said. "We hope to set the tariffs so that the mix will give us an average return of about 13½¢ per ton mile." Today's average is about 20¢.

This was the first major address made by the Flying Tiger president since the airline placed

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Repair Station Bigger

John L. Dewey, Manager of Inspection for The Flying Tiger Line, announced that the Certified Repair Station maintained at the Burbank base of the airline, has been extended to accommodate a larger volume of outside maintenance work and approval for the increased program has been received from the Federal Aviation Agency.

Dewey said the station now is one of the largest repair bases of its type on the West Coast and is prepared to handle a substantial increase in outside maintenance work.

'World's Biggest Airline' Under Senatorial Fire

Quesada-Monroney vs. MATS Strife Still Goes on as Congress Adjourns

The continuing controversy over the position of MATS in relation to the U. S. airline industry was highlighted again this month by Wayne Parrish, editor of *Airlift* magazine, and Senator A. S. Mike Monroney, chairman of the Aviation Subcommittee of the Senate Interstate and Foreign Commerce Committee, as Congress drew to a close without acting on either a MATS or civilian cargo program.

In a strongly worded editorial headlined, "Quesada O, Douglas O, Cargo O," Parrish described the stalemate in the government program to develop the air cargo industry and then concluded:

"MATS should get all of the special-type military airplanes it needs. But let it get the hell out of the airline business."

About the same time, a group of senators headed by Senator Monroney, went on record in Congress criticizing MATS' growth as an airline operation at the expense of its place as a combat airlift force.

"The simple fact is," declared Senator Stuart Symington of Missouri, "that MATS cannot be both a commercial-type airline with 480 stewardesses and a combat airlift force constantly on the alert, comparable to the Strategic Air Command."

The Parrish editorial had this to say:

This is a sad, sad story. It is especially sad because it's true.

The Quesada-Monroney plan to legislate guaranteed loans for operators ordering new all-cargo aircraft as a government push to the development of a big air cargo industry has hit a real snag.

Why? Because no less a person than the quiet, reserved and ordinarily conservative Secretary of the Air Force, James H. Douglas, blocked the plan at inter-departmental meetings at the White House.

Does that mean that the Secretary of the Air Force opposes the development of an air cargo industry.

Of course not.

Then why was he the lone government hold-out against a constructive program? Because he has a price for his support. The Secretary has come out of his well-insulated isolation booth in the Pentagon to fight doggedly for funds to provide Military Air Transport Service with a fleet of costly new jet passenger planes.

Is that bad? Well, that depends on your point of view. If you favor state socialism, if you favor government encroachment on private business, then you must favor modernizing MATS.

Quesada Opposes

And it just happens that FAA

Administrator Elwood "Pete" Quesada, who was nothing less than a Lieutenant General in USAF himself, believes that MATS (and the government) should get out of the airline business and let commercial enterprise get on with the job.

It is Mr. Quesada who has led the fight to block MATS from getting new jet passenger planes. Does this mean that Mr. Quesada is against giving more airplanes to MATS? Not at all. He just happens to think that MATS should acquire the special-purpose type of military aircraft which the military needs for strategic purposes and stop acquiring more airline planes with which to compete with private enterprise.

So Messrs. Douglas and Quesada have been at loggerheads over a principle. Mr. Douglas wants his airline planes, and since Mr. Quesada blocked him, Mr. Douglas has very neatly blocked the all-cargo program which Mr. Quesada and Senator Mike Monroney of Oklahoma had hoped to push through Congress during the session just closed.

Douglas Attitude 'Strange'

It is rather strange to see Secretary Douglas, a former director of American Airlines, take such a determined attitude toward strengthening and continuing a government-owned and government-operated airline—"The People's Airline"—it has been called. An extremely valuable and vital organization within its original concept, MATS has strayed far, far away from its assigned job. It has become a prize example of an entrenched and creeping state socialism at work in an unsuspecting republic. It transports such vast numbers of families with babies that it has aptly been referred to as "the longest diaper line in the world."

There is much to be said for Mr. Quesada's position. If MATS is permitted to modernize its Soviet-style airline, it stands to reason that privately-owned and operated airlines won't be able to order as many new aircraft so long as they can't control the complete transport market. The big issue of whether MATS will be permitted to continue to grab off under pure state socialism a very large transportation market is now at hand. Congress refused to provide the funds at the session just closed, but MATS will try and try again as all such bureaucratic organisms do.

MATS Argument 'Spurious'

The MATS argument for new airline jets is quite spurious. No military organization has ever

had the gall to ask for funds for its own railroad. Why should a military organization have an airline that is competitive? Outsize and special duty airplanes, sure. But somebody has been doing some mighty screwy and mixed-up thinking about the true MATS role, and we are very sorry to see an able, sincere man like Secretary Douglas permit himself to be taken—and taken he is.

So—all the well-laid plans for a real boost for air cargo, and the development of efficient and low-operating-cost cargo airplanes, have to be laid aside until next session. We hope Mr. Quesada continues the battle. This country has done enough progressing toward Soviet ideology without adding some more in the air transport business. Meantime, we wish Mr. Douglas, who has already been reprimanded by higher authorities for his lobbying, would harken back to the principles of private enterprise on which this country and its progress have been founded. MATS should get all of the special-type military airplanes it needs. But let it get the hell out of the airline business.

In his analysis, Senator Symington declared:

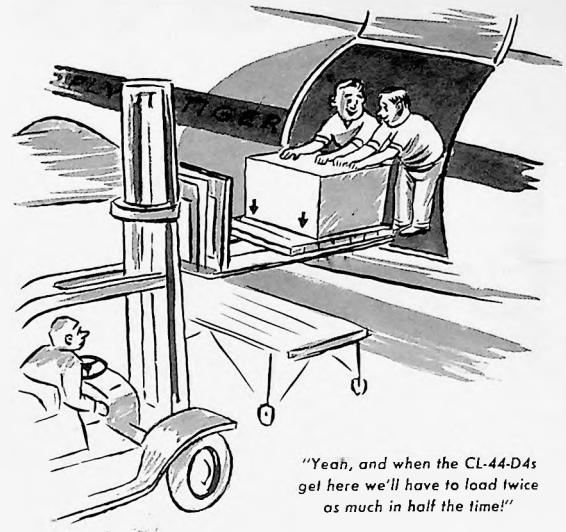
The need for increased national airlift capacity seems to be so obvious that it is both sad and bewildering that so much discussion has to take place without providing any solution to the problem.

Inescapable Facts

These facts seem inescapable: First, there is a limit to our financial resources so that wherever possible we must plan for a working partnership of civil and military capacity; second, the Air Force in particular is short of the money needed to guarantee this Nation's security; and, third, there is a deficit in airlift whether for cargo or for combat troops.

When I raised the question in hearings about the need for more airlift, I well recall General White, the Chief of Staff, saying that "when we do not have all the money in the world and we have to apply our best judgment as to the priorities, inevitably to my mind airlift comes after the strategic, the air defense, and the offensive tactical forces." You may quarrel that General White should squeeze out a somewhat higher priority for airlift, but you certainly cannot quarrel with his orderly analysis. When you have only so much money, the frills must be discarded and certainly a Government-owned and operated airline comes close to being a luxury we cannot afford.

Under these circumstances I



"Yeah, and when the CL-44-D4s get here we'll have to load twice as much in half the time!"

am unable to see how anyone can justify expenditures for new aircraft, or for operating costs if these are to be directed to improving MATS airline operation as against MATS combat readiness.

It is important to note that the Army and Marine Corps can only obtain adequate airlift through the Air Force; and while the Air Force continues to build up its airline operations, it also continues to refuse to give the Army that lift impartial experts believe is essential if we are to handle a possible limited war.

That type of war is now considered far more probable than any nuclear war.

Airlift Inadequate

Today, the United States is not capable of lifting and properly supporting overseas a single division—and this despite our scores of worldwide commitments. It is a situation known by our guest of next month and no doubt is one reason why he and his satellites are filling vacuums in such places as Berlin and Laos.

Therefore, if there is money available for airlift, surely it should be used to increase the mobility of the Army and Marine ground troops and not for additional military competition against our civilian airlines.

Senator Monroney cited these statistics on MATS:

In fiscal 1960, 93 per cent of military-passenger traffic will move between areas served by scheduled commercial carriers. Fifty-seven per cent of military-passenger traffic can be handled by these carriers in present passenger aircraft. But MATS proposes to procure only 37 per cent of its passenger requirements from commercial carriers, and to provide 63 per cent of its requirement with its own planes.

In fiscal 1960, 89 per cent of

military cargo traffic will move between areas served by scheduled commercial carriers. Twenty-nine per cent of military cargo traffic can be handled by these carriers in present cargo aircraft. But MATS proposes to procure only 10 per cent of its cargo requirements from commercial carriers, and to provide 90 per cent of its cargo requirements with its own planes.

Brig. Gen. Albert T. Wilson, MATS Deputy Chief of Staff, acknowledged to the Subcommittee on Military Air Transportation of the House Committee on Government Operations, that only 15 per cent of MATS flying hours were actually required for its qualification and proficiency training program. The number of hours flown by other units, with missions no less demanding, confirms the accuracy of this estimate.

While MATS crews averaged 55 to 69 flying hours a month, those of the SAC Strategic Support Squadron averaged only 30. While the aircraft in the MATS fleet were utilized 4.4 hours a day, those of the SAC Strategic Support Squadron were utilized only 1½ hours a day. MATS' own troop carrier aircraft, the element of its fleet with the most difficult wartime role, averaged a rate of utilization of only 2.28 hours a day.

MATS Role Told

Asking the question, "What is the role of MATS?" he declared:

MATS primary defense responsibility is—or should be—to provide immediately available airlift of military personnel and equipment to overseas points in the event of war or military emergency—the so-called hard core requirement.

Its secondary responsibility is to provide, both in peacetime and in an emergency, routine overseas air logistics—the move-

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Jet Fleet Financing Completed

Robert W. Prescott, president of The Flying Tiger Line, announced the successful completion of financing for a fleet of 10 CL-44D-4 prop-jet airfreighters purchased from Canadair, Ltd., Montreal subsidiary of the General Dynamics Corp.

Prescott said the company had sold privately \$5,000,000 of 5½ per cent convertible debentures due in 1974. Previously, Tigers had called for redemption on July 1, 1959, an issue of 5½ per cent debentures due in 1962.

Proceeds of the new issue of debentures were applied to down payments on the new aircraft fleet, which is scheduled for delivery in the spring of 1961. The balance of the purchase price, approximately \$43,000,000, is covered by equipment trust certificates.

The new issue will be Series B bonds convertible into common stock at \$18 per share until 1969. The issue will require a reservation of 277,700 shares of common stock. As of July, 1959, the airline has outstanding 1,344,420 shares of common stock.

MATS Strife

(Continued from Page 2)

ment of people and things. A portion of this second responsibility involves missions of a special nature—the movement of oversized, classified, or explosive cargo, or movement to destinations involving unusual risk. But by far the greater part of such movements are no different from those handled by civil carriers in their daily operations. It is therefore not surprising, once the decision is made to handle this routine traffic primarily in MATS planes, that MATS has become an airline—the biggest in the world—with published schedules, stewardesses, and planes identical to those flown by its civil competitors.

Then, discussing the need for modernization of MATS, he concluded:

The need for modernization of MATS perhaps justifies some further comment. There is of course no question that MATS fills an urgent defense need, and one which has received far too limited a share of our defense budget. We have had a series of recent lessons that the primary requirements in coping with limited wars or other emergencies are effective ground forces and the ability to deploy them quickly.

This means specialized air transport and requires specialized aircraft. The characteristics required of such a plane are fairly obvious. It must be able to lift a substantial load—certainly at least 50,000 pounds; at intercontinental range. Because we cannot predict, or select, its destination, it must be able to operate

Tiger Benefit Committee Year-end Report

	Balance as of June 30, 1958	Current Year Increases (Decreases)	Balance as of June 30, 1959
Assets on Hand			
Market Value of Investments in			
Stocks and Debentures	\$ 84,137.40	\$ 95,619.35	\$179,756.75
Present Value of Lease on Engines	47,046.71	(7,907.03)	39,139.68
Contributions due from Employer		204,428.00	204,428.00
Cash	27,872.37	13,227.11	41,099.48
Total Value of Fund	\$159,056.48	\$305,367.43	\$464,423.91
Source of Funds			
Company Contributions	\$100,000.00	\$204,428.00	\$304,428.00
Employee Contributions	51,625.00	84,997.00	136,622.00
Income of Fund	7,431.48	20,065.28	27,496.76
Payments to Terminated Employees		(4,122.85)	(4,122.85)
Total	\$159,056.48	\$305,367.43	\$464,423.91



Flying Tiger's European tour group got together for this planeside picture at Amsterdam. Thirty company employees and their families made a nine-country, 23-day tour of Europe via KLM and the only casualty was one

suitcase, lost in New York, and returned in Rome. Leona Ross, Manager of Flying Tiger's Credit Union, who organized the trip, said: "We had a wonderful time—everybody got home exhausted!"

into and out of fairly primitive airfields with short runways. It must be designed for easy and quick loading without elaborate handling equipment. It must be designed to transport effective troops—and that means fully equipped, with the weapons and vehicles of today's army. Because our total fleet must be able to quickly deploy forces in effective strength, it must involve substantial numbers of aircraft, and therefore the most economical workhorse which is adequate to the job. Maximum economy of production and maximum civil reserve capacity would require that these features be incorporated in a plane equally suitable for civil use.

No plan to equip MATS in these terms has been submitted to Congress. MATS' recent proposals bear as little relation to the realities as would a proposal to reequip the tank corps with Cadillacs.

If the Department of Defense will present a comprehensive plan for a modern military air transport program, and will give some concrete evidence of their stated intention to get MATS out of the airline business, I am confident that they will find strong support in the Congress.

Binghamton New Point of Origin and Destination

Binghamton became a point of origin and destination on the airfreight schedules of The Flying Tiger Line starting September 8.

This marked the first time that the airline has made its Binghamton station an origin and destination terminal. Heretofore, the city has been a through point on Tiger schedules, being served by flights that originated in New York on westbound flights and in Chicago or west coast terminals on eastbound flights.

The change will mean that Flying Tiger Super H Constellation aircraft now will terminate in Binghamton on flights from the west, while flights to the midwest and west coast will originate here.

Flights Restored

At the same time, the airline restored service on its No. 282 non-stop flight between San Francisco-Oakland and Newark as well as the No. 281 flight, operating directly into San Francisco-Oakland from Chicago and Newark.

"Our traffic in the Upper New York state area has shown impor-

tant growth in the past year," Vice President John L. Higgins said, "and in order to improve service, our company has decided to make Binghamton a destination terminal. Since April, our traffic here has shown a steady uptrend. April traffic was up 14.8 per cent. May showed a gain of 31.9 per cent, June was up 102.3 per cent and July volume increased 126.9 per cent."

Tiger airfreighters operating through here in combination with over-the-road truckers serve an area of 150 miles, offering overnight service to the midwest and west.

New schedules provide a daily departure from Binghamton at 12:01 a.m., with an arrival in Los Angeles at 9:55 a.m., via Cleveland and Detroit, with connections to Chicago in the midwest and San Francisco in the west. Eastbound flights from the west coast and Chicago will arrive here at 7:30 p.m., daily.

U. S. airmail has grown from a business that took in only \$159,000 annually a few years ago to one that now brings in \$180 million a year.

Tiger Benefit Fund Gains To \$464,423.00

Fred Benninger, secretary of the Benefit Committee of The Flying Tiger Line Inc. Profit Sharing and Retirement Fund, reporting on the second year of operation of the fund, said the asset value had increased to \$464,423, a gain of \$305,367 over the preceding year. The increase totaled in excess of 190 per cent.

The contribution of The Flying Tiger Line to the fund for the fiscal year ending June 30, 1959, amounted to \$204,428, bringing total company contributions for the two years that the plan has been in effect to \$304,428.

During the year, employees contributed \$84,997 to the fund, compared with \$51,625, or an increase of about 60 per cent.

The fund earned \$20,065 during the year from income, increased values and profits on the sale of investments. This represents approximately 10 per cent on the average investment in the fund and is almost triple the income reported for the previous year.

The market value of investments increased from \$84,137 to \$179,756, a gain of \$95,619. Cash on hand totaled \$41,099, a gain of \$13,227. Payments to terminated employees totaled \$4,122.

Statements reflecting each participating member's share in the fund will be distributed to members early in October.

Shown in the next column is the year-end report of the Benefit Committee.

Prescott Forecast

(Continued from Page 1)

an order last spring for the nation's first domestic fleet of prop-jet airfreighters.

In it, he outlined both the basic reasons for the purchase and what the airline expects to do with the CL-44. He told, step by step, why the prop-jet will revolutionize the business of air freight.

Because the address sets down clearly the thinking of Flying Tiger's management team on what the CL-44 means to airfreight, the speech is reproduced in entirety elsewhere in the Tigereview for the information and guidance of employees on the future of the company and as a reference in discussions with the shipping public.



"I hadda fight like a Tiger to get on this run!"

Airfreight Up 10-fold by '65: Prescott

1975 Volume of 40 Billion Ton-Miles Seen by FTL Head

Following is the text of President Robert W. Prescott's address on "Future Development of Airfreight" before the Los Angeles Transportation Club:

Future Development Of Airfreight

By Robert Prescott

Every day, we in the Flying Tigers run our legs off to reach you individually so that we can tell you the story of airfreight and its possibilities. To have you here today as a captive audience is indeed a plum, and I sincerely appreciate the opportunity.

First, I should like to give you a thumbnail history of the airfreight industry up to this time.

Before 1945, no airplanes existed that could profitably transport goods at rates of less than forty or fifty cents per ton mile, and therefore any sizeable movement of goods by commercial air was out of the question.

War surplus transport airplanes of the C-46 Commando and the Douglas DC-4 types made it appear reasonable that airfreight could be moved at rates of twenty to twenty-five cents per ton mile. However, nobody knew how much traffic could move at that rate, nor where, because airfreight was an entirely new concept of mass movement of goods in an entirely new rate area.

300 Lines Formed

Many of us were optimistic, however, and between 1945 and 1947, over three hundred air cargo lines were formed, mostly by returning war veterans. Our company was one of those three hundred.

At that time the money and management of the passenger airlines was devoted exclusively to the pressing problem of reorganizing their passenger service, which had been disrupted by the war. Also the passenger lines were re-equipping with the modern planes which came from wartime research and development, so little or no thought was given by them to airfreight.

Casualties among the 300 cargo lines who moved in were somewhat spectacular—to the point that only two all-cargo carriers are still in operation today. Fortunately for us, the Flying Tiger Line is one of these two.

By 1948, managements of some of the larger passenger lines were awakening to the long-range possibilities of airfreight and so began paying some attention to it. Apparently apprehensive that some of us who had started the airfreight industry would survive and be certificated, thus becoming a potential threat, the passenger lines started some very intensive competition.

Rate wars and service wars were instituted, and before these

were stopped after eighteen months by the Civil Aeronautics Board, all but the most determined of the independent entrepreneurs were wiped out. One fortunate result, however, was a stimulus to the industry that generated the impetus to start its growth.

Miles Up, Rates Down

In 1947, the industry carried 82 million ton miles. By 1951, the volume had nearly tripled to 208 million ton miles. Today that volume has reached one billion ton miles. Rate levels have ranged from 25 cents in 1945 to today's 19 cents per ton mile. The larger passenger lines are now using some all-cargo airplanes, but more than half of their cargo loads is still carried in the baggage bins on their passenger flights.

The future development of airfreight is grounded almost totally on the development of the airplane that will carry the goods. The more efficient that plane is in operating costs, the lower rates we will be able to quote you, and thus proportionately the greater amount of your traffic will come to the airfreight industry.

We learned quickly in this business that the glamour of airfreight would get us a pitifully small amount of traffic. You gentlemen whose business it is to move the goods have an annoying habit of asking, "How much is it going to cost?" And, to us in the airfreight business, this has been a somewhat embarrassing question because we have always been high man on the totem pole when it comes to the cost of our services. Our complexion is changing somewhat these days, however, because over the horizon and approaching us rapidly is the turbine-powered plane that is going to enable us to give you rates that will allow us to sit up at the main table in the transportation feast.

I think you will agree that we have one advantage in the air business, illusory as it may have been until now—and that is this. We can lift the traffic off any other means of transportation if we are able to be at all competitive in price.

Prop-Jets Coming

Flying Tigers now have that turbine driven airplane under manufacture for delivery in the spring of 1961, which is now less than a year and a half away, and we are knocking on your door to make you aware of the possibilities that will be open to you in your own field of traffic management.

There are various configurations of turbine powered planes being offered, either in the drawing board stage, or actually under construction. All of them are radical improvements over the piston powered planes. We in Flying Tigers have selected a turbo-propeller driven plane for our entry into the jet era. I would like to tell you a little about it and why we know it is going to do so much for the development of the airfreight industry.

This plane is known by the rather unromantic title of CL-44D. It is manufactured in Montreal by Canadair Ltd., which is in the family of the General Dynamics Corporation alongside Convair of San Diego.

It is 136½ feet long, with a cubic capacity of 7,391 feet. It takes off with a gross weight of 205,000 pounds and will carry a payload of some 73,000 pounds. It cruises at a speed of 400 m.p.h. and has a range that will take it easily from coast to coast non-stop with full payload.

The fuselage is hinged just forward of the tail section so that the tail swings aside for easy loading. We plan pre-palletized, mechanical loading that will enable us to unload and load the plane completely in about 25 or 30 minutes. This compares to 4 or 5 hours for the same operation on our present Constellations.

Reasons for Savings

You have heard much about

the radical reduction in costs that the turbine powered plane will bring about. It might be interesting to you to know some of the salient reasons for this.

First, turbine engines burn kerosene instead of 130-octane fuel. Kerosene costs about 14¢ per gallon versus 22¢ for gasoline, and the turbine principle extracts slightly more power per pound of kerosene than does the piston engine from gasoline. Thus, when we burn about 800 gallons per hour we can realize quite a saving.

Second, the weight of the power plant is about half that of the piston engine. On pistons we figure roughly on one pound per horsepower and on turbines slightly less than one-half pound per horsepower. The horsepower on the coming turbine freighter totals 23,000. This means that a piston plane with the same capacity would have power plants weighing 23,000 pounds, and the turbine 11,500. This weight saving of almost six tons is turned into payload.

Other factors which help turbine power contribute measurably to reduced flying costs are less frontal area of the power plant facing the windstream and thus greater speed from the same power; less loss of power from friction within the engine; and considerably less maintenance expense because of the nature of the engine.

Suffice to say that we will have the animal that can carry your

goods at rates that will be highly competitive with surface transportation. And, the happy part of the picture is that this is only the beginning of the turbine era, and you don't have to be a scientist to know that the efficiency of these power plants will increase as time goes on.

Additives To Up Power

One very interesting area of research now under way is the use of chemical additives to extract more power from fuel. Scientists tell us that in a few years they will be able to extract twice the power from fuel than is possible today. I will illustrate what that could mean to airfreight. The CL-44 takes off for New York with 50,000 pounds of fuel aboard and 70,000 pounds of payload. With this new fuel, it could take off with 25,000 pounds of fuel and 105,000 pounds of payload. When that happens, and it's bound to happen, the day of the long haul truck will go with the day of the Pony Express.

(Concluded Next Month)

United Freight

United Air Lines reports in a special article on airfreight in its monthly publication, *Mainliner*, that 55 per cent of its freight traffic moves on passenger flights and the remainder of 45 per cent on its fleet of DC-6A Cargoliners.



Transportation Club Meets in 'Valley'

Board members of the San Fernando Valley Transportation Club, one of Southern California's largest traffic groups, gathered for a dinner and board meeting at the home of Lew Ayres, of the Flying Tiger Line's Los Angeles Sales staff. From left to right are Tom Becker, Pioneer Manufacturing Co., and club secretary; Ayres, Jim Mason,

Paddock Pools; John Hinkley, Beverly Hills Transfer & Storage Co.; Bill Holmes, Atomics International Division of North American Aviation; Bill Larrabee, Santa Fe Railroad and club treasurer; C. E. Jackson, Double J Packaging Co.; and Amos J. Brown, Chevrolet Division of General Motors, club president.



'Thai-rd' Tigers Return

Returning to Burbank on the last Thai airplane was this contingent of BUR Maintenance personnel, left to right—Mel Ports, Floyd Funk, Frank Geist and Henry Germain, with Elgin Pigg and Al White standing above, jungle hats and all.

Tigers' Over-all Package Wins Award of Super G Repair Contract

One of the fastest-moving maintenance jobs which ever was given to Flying Tiger overhaul shops began moving through the big Burbank base early in September after the airline won a competitive bid for putting three Super G Constellations into air worthiness condition.

The work which will provide some two months of outside maintenance for the airline's Burbank base is being performed for R. Dixon Speas Associates of New York. The airplanes will be delivered to Guest Aerovias de Mexico, S. A., which will put them into South Atlantic passenger operation.

When bids submitted by Vice President Neil Berboth were accepted by the New York firm, they carried a condition requiring Flying Tiger to have the first crews on the ground working on the planes within six days. And the planes were in Bangkok!

The Tigers made the first goal when Jim McLachlan, Superintendent of Maintenance, put a 10-man crew headed by Floyd

Funk into Bangkok from Burbank ahead of schedule.

Thai Airways Planes

The planes had been sitting in Bangkok for more than a year. They were originally used by Thai Airways.

While Funk rushed his crew through a preliminary inspection to determine what needed to be done to make the aircraft flyable, Lou Bloch of BUR Stores began a job of assembling 69,000 pounds of aircraft engines and spares.

Besides Bloch and Funk, the crew on duty included Henry Germain, Al White, Art Cooper, Frank Geist, Elgin Pigg, Roy Cole and Mel Ports, with Spencer Sydney flying down from Tokyo.

They got the first plane ready in less than 72 hours. Arriving in Bangkok on August 31, they turned the first ship over to a Flying Tiger crew in time to get it into Burbank Sept. 5. This ship will be delivered to Guest Aerovias by the end of the month

and all three ships will have been delivered by the first part of November.

Flying Tiger won the bid because of its ability to deliver an over-all package to the customer. Basically, the job being done is this:

Making the aircraft flyable at Bangkok and ferrying them to Burbank, with route support across the Pacific.

Bringing the aircraft up to FAA air worthiness standards at Burbank, installing wing tip tanks and effecting a cabin configuration change to permit larger passenger loads. Inspecting and processing all spart parts to make them fully serviceable.

Training Guest Aerovias crews and delivering the aircraft to Mexico City.

The last airplane, bringing along the Flying Tiger ground crew, landed in Burbank on September 17.

Asked how they liked Thailand, one of the boys said:

"Well, all right, I guess. They got an airport there. Outside of that, we didn't see much!"

August Revenues

(Continued from Page 1)

Other gains included Newark, 27.3 per cent; Binghamton, 18.1; San Diego, 12.6; Hartford-Springfield, 9.3; Burbank, 6.4; Philadelphia, 4.2; San Francisco-Oakland, 3.2; and Seattle, 1.5.

Following Detroit's lead in gains for the year to date were Cleveland, 73.1 per cent; Philadelphia, 42.3; Akron-Canton, 38.2; Seattle, 37.2; Burbank, 36.4; Hartford-Springfield, 36.4; San Francisco-Oakland, 32.2; San Diego, 21.6; Boston, 17.9; Newark, 15.0; Binghamton, 12.5; Chicago, 12.4; Portland, 11.6; and Milwaukee, 8.3.

Sky-Highway

Revenues from Flying Tiger's new Sky-Highway program, inaugurated last summer, totaled \$54,765 in July, the first full month of operation.

In this program with 33 regional motor carriers, the airline provides service to more than 100 new cities by a joint air-truck freight movement plan.

Largest source of off-line revenue was Cincinnati, followed by Dayton; Elmira, N. Y.; Columbus; Indianapolis; Scranton, Pa.; and Utica, N. Y.

Customer Service Vital Success Factor

(Continued from Page 6)

marriage to offers of a drink, to a demand to know why Mr. (executive unnamed) wasn't out of bed yet.

Call Lists Kept

Each desk maintains daily call lists, both to solicit business and keep abreast of continuing traffic. For example, all daily inbound and outbound freight manifests are kept in special files at finger touch so almost-instant information can be given on any current or recent shipment.

There are standard freight delivery lists for customers who want to be called automatically when their freight is enroute to them, has arrived, or has been loaded on a truck for delivery. C. O. D. traffic is a vitally important responsibility of the Customer Service desks. Once a C. O. D. shipment has been loaded on a delivery truck, Customer Service promptly calls the consignee, tells him when he may expect the shipment, and what the charges are so he can arrange to have the money ready when the truck arrives. This expedites the delivery of his freight and keeps the truck rolling on to other deliveries.

Deferred airfreight service is another field of specialized handling. Shippers must be notified when their freight can be released for delivery, or the desks must be prepared to change freight classifications if a shipper

wishes to expedite his freight by moving it up to first class category.

TWX Experts All

One basic qualification of desk employees is the ability to operate the company TWX system which connects all stations. Instant exchange of information, in the fast-moving field of airfreight, is often an urgent necessity; and the ability to slide from a telephone onto the TWX keyboard is about as necessary as finding the right file, routing guide or tariff in the maze of neatly arranged slots above each desk, where such reference material is stored.

Most any day will find the desks performing special services ranging from reserving dog kennels for pet-shippers to hunting out a special piece of freight in the warehouse and searching a maze of labels to let the traffic manager of an aircraft company know if one highly particular and prized piece of freight is among all those pieces that came in on the morning flight from Chicago.

And no eyebrows raise when, upon locating the freight, the Customer Service representative is instructed to "take that piece right into your office and keep it on your desk until our driver arrives—we can't risk any mixup on it."

And, if they can carry it, that's where the freight will be found. Or, you may find a parrot there.



And then there are days when it seems just like this!

That happened one day, with the bird constantly squawking "Hi! Blondie." Funny thing, the girl was blonde!

Nor is it surprising to pick up the phone and find a call coming from Boston or Fort Lauderdale by a shipper who has to find out straight from the horse's mouth, so to speak, whether he is getting the straight dope from the other end; or why it is that airline so-and-so can't seem to give him the information he needs.

But, says General Sales Manager Albert, the Customer Service desk hasn't seen anything yet. The day is coming when every two salesmen in the field will be working with one representative in Customer Service who will be making scores of phone calls daily to shipping prospects, weeding out the poor ones and passing the good leads along to the salesmen, "thus making the salesman's time as completely productive as possible."



"Here—see if you can figure out Chuck Snoko's latest 'Brain-washer'!"

Customer Service Is Vital Success Factor

Now Testing at 4 FTL Stations; Seen System-Wide in Jet Age

In the field of transportation, where, from company to company, rates and equipment are basically the same over any considerable period of time, there is one element which can be made to stand out so strongly that it becomes the controlling reason for one company's success over its competitors.

A truly simple factor, it is called—"Service."

And so this story concerns itself with a steadily growing department in The Flying Tiger Line—"Customer Service."

From the experience being gained today in a handful of stations across the country ultimately will come a full-fledged department geared to provide the customer of airfreight with an accurate, courteous, fast-moving information service which will very often spell the difference between getting business and losing it.

"Customer Service" cannot make up for schedule disadvantages or mishandled freight—although it can help ease the customer's troubled mind—but equipment and rates being equal, these are about its only shortcomings.

Used at BUR Since '50

First established in 1950 at Burbank, Customer Service offices now are also at San Francisco, Chicago and Newark. As the program is refined and developed, they will ultimately be a part of every major station. In fact, the day is not far off when Customer Service will probably be a separate department within the airline's Sales Organization, headed by a director and bolstered with a thorough-going training program.

General Sales Manager Peter Albert looks at it this way:

"In the long run, equipment and rates of the airfreight carriers are very similar, but the one thing that some companies seem to be able to do better than

others is provide their customers with a personalized, specialized service. In the complex business of transportation, this is of especial value to the man paying the freight bill.

"No better example is today's growing jet field. Many a passenger, having a choice of the same equipment and largely the same schedules on various airlines, will ride that line whose stewardesses are friendlier, whose food is better, whose ticket counter personnel seem to put out that little extra effort with less confusion and strain.

"In a similar sense, the same is true of airfreight and hence we find the basic reason for Customer Service."

Training Plan Readied

Once manned by a single employee, Customer Service at Burbank, San Francisco and Newark now has three employees at each station. The Chicago job is still a one-man show. Employees largely break into the job by learning as they go along. A formalized training program is on the Sales planning board for the day when greatly increased traffic will necessitate much larger staffs.

With working hours from 7:30 a.m. to 6:30 p.m., Customer Service personnel in a station such as Burbank will average more than 400 calls daily.

Except for direct freight pickup requests, which are routed to truck dispatch desks in the Freight Operations Department, almost every freight call goes first to Customer Service.

The men and women working there over five telephone lines are prepared to provide information about almost every phase of Tigers' daily airfreight business.

They are schooled in rates and schedule information, pickup-and-deliveries, tariffs of both interline and overseas carriers whether air or surface, tracing of shipments, specialized best-routing of freight either air or surface, new shipper thank-you calls, and on down to such personal things as calming a worried woman shipping her cocker puppy across the country.

Information Sources

They must be able to rattle off specific information about the aircraft—speed, door sizes, floor bearing weight limits—and then, of course, there are the complaints.

As Patty Hall, who has spent a year on the Burbank desk after tours of duty in Accounting and Payroll, puts it:

"You usually find that the angry customer isn't so bad if you give him a chance to get it off his chest."

And then there are those stoppers like the man upon hearing a cheerful, polite feminine voice answering his call, exclaimed:

"I'm certainly sorry I got to be talking to a woman!"

Customer Service people agree that you either must like the job or do something else. It takes patience to explain that freight has been delayed because of weather or mechanical interruption of service and that the airline didn't purposely land at an airport which became weathered in, or that it had no idea there would be a mechanical delay and hence could not notify the shipper in advance.

And, of course, the girls get everything from proposals of

(Continued on Page 5)



Handling a complicated inquiry call, Carol Kvalvik passes on information supplied by Patty Hall, while Felma Escobedo checks a routing on the big airline wall map. Carol and Patty are former Accounting Department employees, while Felma gained valuable experience in traffic information while working at other airline and truck companies before joining the Tigers.



Patty Hall consults a freight manifest, probably the single most important information source of the desk, with DSM Mildeberger. The manifest, transmitted to all stations in advance of freight arrival, lists all freight on a flight to any destination, shipper, consignee, number of pieces, weight and any special handling instructions.



Customer Service Desk at Burbank, manned, left to right, by District Sales Manager George Mildeberger, Patty Hall, Carol Kvalvik, and Felma Escobedo. Readily

accessible information, such as tariffs and guides, are pigeonholed in the slots above the central desk, which can be worked from both the foreground and back sides.

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