AMERICA'S LOCAL SERVICE AIRLINES,
Part III: Frontier, Lake Central, Mohawk & North Central

by David H. Stringer

The venerable Douglas DC-3/C-47, represented here by Mohawk Airlines' DC-3-178, NC400D, c/n 1556, was popular during the 1950s with local service airlines because of their ready availability, passenger capacity and low operating costs. (Photo from the AAHS archives, AAHS-P006034)

FRONTIER AIRLINES

Financing was difficult for many of the feeder airlines just getting off the ground in the late 1940s. The CAB's feeder Certificates of Public Convenience and Necessity were temporary, all of them valid for just three years to begin with. This short-term guarantee did not inspire a willingness on the part of banks or private investors to infuse funds into the companies' coffers. The only guaranteed income was the compensation paid by the government for operating the services, offered in the form of air mail subsidies.

To save money, the two feeders operating in the Rocky Mountain States area, Monarch Airlines and Challenger Airlines, prudently took it upon themselves to share maintenance, sales, and other departmental tasks from their individual headquarters in Denver. The next step seemed natural, to enter into a merger agreement.

Monarch was the brainchild of Ray Wilson, who had received his feeder certificate from the CAB under the moniker of Ray Wilson, Inc. After the certificate award was announced, Ray Wilson, Inc. changed its corporate title to Monarch Airlines. Of the carriers created specifically for the purpose of starting a certificated feeder operation, Monarch held the distinction of being the first in the nation to get off the ground. Service was inaugurated on November 27, 1946, (another airline, Essair, which later became Pioneer Air Lines, had started service in 1945 with a CAB-issued feeder certificate, but that company was already in business at the time of its award and had previously operated as an intra-state carrier). Monarch operated in the area from Denver and Salt Lake City stretching south through Utah and Colorado into New Mexico with a terminus at Albuquerque.

Challenger's history was a little more convoluted. Summit Airways, organized by Charles Hirsig, won the CAB certificate for feeder service stretching north from Salt Lake City and Denver, via intermediate points in Colorado and Wyoming, to the terminal point of Billings, Montana. Hirsig was killed in an aircraft accident before the certificate was issued in the Rocky Mountain States Area Case. Summit's ownership passed to Fred Manning of Denver.

In the same Rocky Mountain States Case, an airline operating Beechcraft D-18s in intra-state service within Utah had been denied a feeder certificate. That company, originally organized as Midwest Airways, was called Challenger Airlines, and it was owned by George Snyder Jr., of Salt Lake City. After losing his bid for a feeder certificate, Snyder, with the backing of the Claude Neon Co. of New York, purchased control of Summit Airways. Snyder then petitioned the Civil Aeronautics Board to change the name of his newly-acquired certificated carrier, Summit Airways, to Challenger Airlines Company. The Board approved and Challenger took to the air on May 3, 1947.

It was in March 1948 that Monarch and Challenger began combining traffic, sales, and station functions. The following month, maintenance, overhaul and engineering activities were consolidated and then, in May, advertising activities were coordinated with a joint timetable being issued by both carriers, effective July 1, 1948. Challenger moved its headquarters from the Felt Building in Salt Lake City to Stapleton Field in Denver, home of Monarch.

In 1946, another airline began operations wholly within the State of Arizona. As an intra-state carrier, Arizona Airways was under the jurisdiction of the state government and did not need a federally-issued CAB certificate to conduct business. Using three Douglas C-47s converted to DC-3 standards, the airline began service on March 17. With the initial backing of Bob Goldwater, from one of the state's most influential families, and professional golfer, Johnny Bulla, Arizona Airways managed to operate for just less than two years, losing money every step of the way. Without a contract to carry the air mail, which would come with a federal certificate, the intra-state carrier was totally dependent on whatever passenger and freight traffic it could solicit. But the point of conducting an intra-state operation was to gain experience and to illustrate the organization's ability to run an airline, an important factor for the Board to consider when determining which company was fit, willing and able to operate a certificated feeder service.

While the intra-state service ceased operations in 1948, the CAB did award Arizona Airways its coveted Certificate of Public Convenience and Necessity on June 29 of that year. In its petition to the Board, Arizona Airways had proposed using 14-passenger Lockheed Saturn aircraft, a type that never made it into full-scale production. Instead, Arizona stated that it could inaugurate service with its three converted war-surplus DC-3s, which it had used in intra-state service.

Unfortunately for the company, it had lost so much money that finding funds to finance the start-up of the feeder operation became an insurmountable problem. In 1949, the management of Monarch Airlines proposed an acquisition of Arizona Airways through merger and Arizona's board of directors accepted the offer.

Next, the merger of Monarch and Challenger seemed a natural combination, made more inevitable by the sale of Challenger's majority shareholding by the Claude Neon Co. to Hal S. Darr, then Monarch's president and primary backer.

Civil Aeronautics Board approval was needed for this combination of a trio of feeder carriers and, after the requisite hearings, the certificates of the three individual companies were reissued as a single certificate for the newly amalgamated company, to be called Frontier Airlines.

Operations began under the title of Frontier Airlines on June 1, 1950, with a system stretching from Billings to Albuquerque, Challenger's and Monarch's former systems, and now extending into Arizona and southwestern New Mexico with a southern terminus at El Paso, Tex., thanks to the authority acquired through the acquisition of Arizona Airways. Frontier was now the nation's largest local service carrier, a term that had replaced the title "feeder airline."

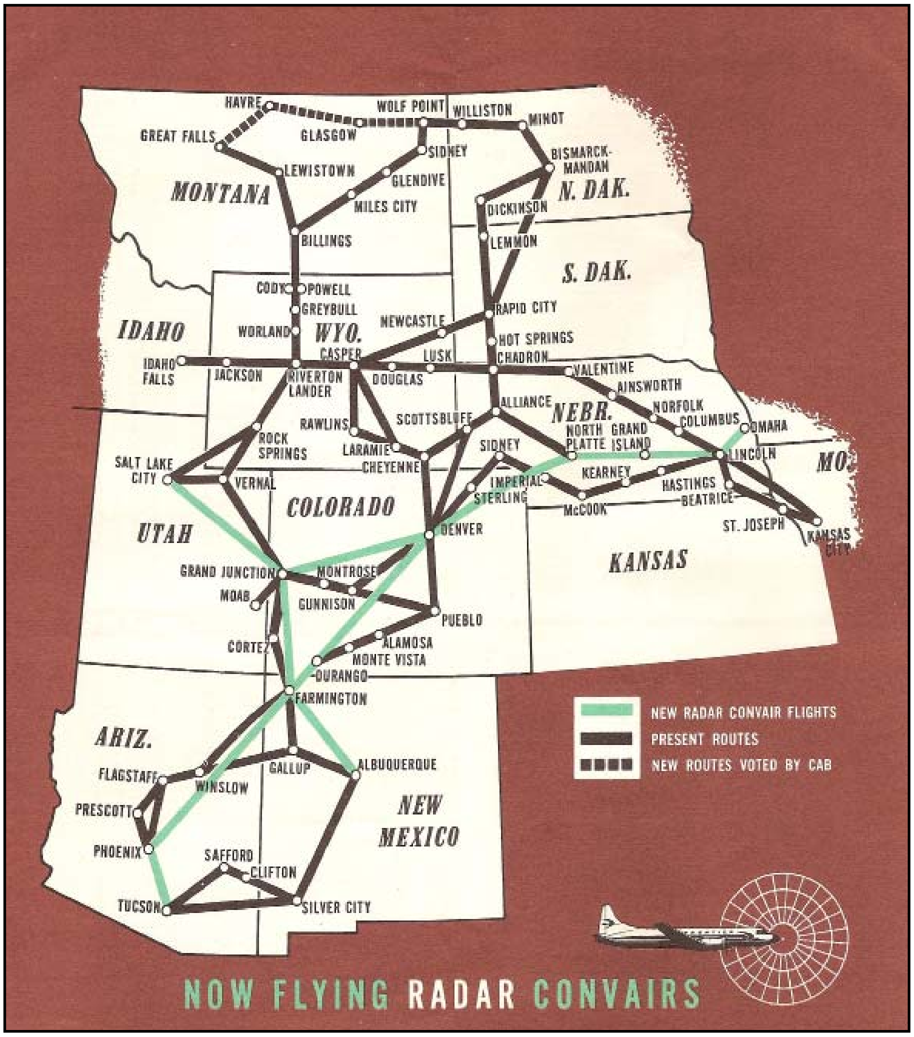
Frontier's system underwent minor tweaks manipulated by the CAB in its early years, but the first major expansion came in 1954 when the airline was granted authority to serve the Williston Basin of Montana and North Dakota, an area rich in oil deposits.

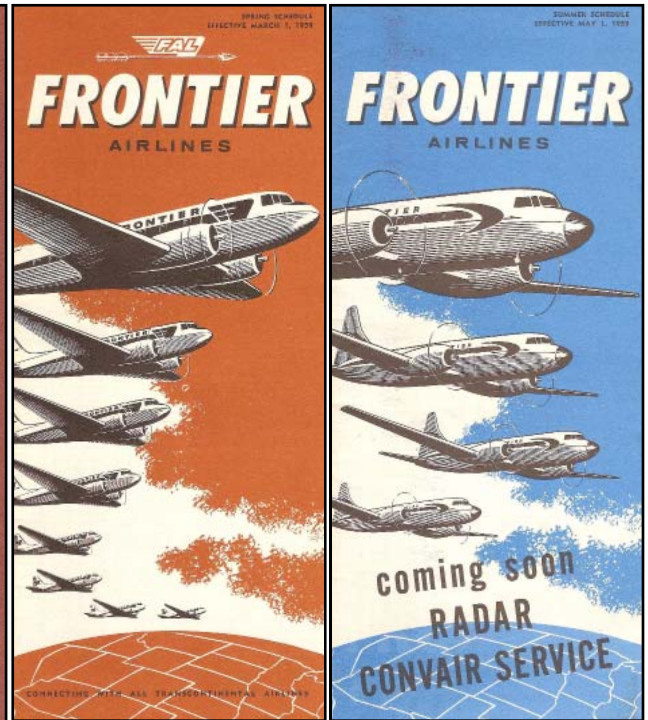
The next increase in route mileage came in 1958, and it was significant.

Back in 1946, when the CAB first issued its award to Monarch, the route authority included some cities that could be described as remote or isolated. At the time the Board stated: "*We believe that the establishment of an air service (to certain isolated communities) will result in a transportation facility so greatly superior to that now available that the patronage will exceed that which could be developed at even larger cities not so greatly isolated.*" In 1958, the CAB continued to follow this philosophy when it awarded 27 new cities to Frontier, many of them falling into the category of remote or isolated. This was a result of the Seven States Area Case; a landmark CAB undertaking that transferred numerous small stations from trunk carriers to locals and also tested the truth of the remote city philosophy.

Some of the cities granted air service for the first time were very small. Lemmon, S.D.'s, population (in the 1960 census) was 2,412. Valentine, Neb., had

Frontier Airlines schedule and route map as of November 1, 1950, five months after the three-way merger took affect. (From the author's collection)





1958 and 1959 saw expansion into Nebraska and North and South Dakota, necessitating the addition of more DC-3s, along with new equipment in the form of Convair 340s. This is reflected in the 1959 route map and schedules featuring the DC-3s and promotiing the Convair service. (From the author's collection)

2,875 residents, while Ainsworth, Neb., boasted 1,982 citizens, and Lusk, Wyo., 1,890. As small as they were, all of these cities, and others of similar size, were put onto Frontier's route map in the 1958 award. Service to these communities would have to be heavily subsidized but the hope was that, in time, the service would become indispensable and well-patronized, thus reducing the amount of financial support required. Because of the geography of The West, these communities were trading centers for their surrounding areas and, thus, their importance could be equal to that of cities with 10 times their population Back East.

The airline was more than doubling its size and Frontier's own promotional material advised the public that *"communities once isolated by mountains or other geographical barriers, by inadequate surface transportation, or by sheer remoteness have now been brought within minutes of each other and their major trading centers."*

As a safeguard against putting an undue burden on the airlines required to serve small cities, in the same case the CAB put a requirement on the populace of the communities affected to patronize the new air service. Called the "Use It or Lose It" policy, the cities affected were given six months for their citizenry to become acquainted with the new transportation being offered. For the following 12 months, each community would be expected to enplane an average of 5 passengers per day (1,825 per year) or risk losing certificated air service. Thereafter, the five passengers per day minimum would have to be sustained *"in the absence of unusual or compelling circumstances."*

In the same year that the CAB awarded all of these small new stations to Frontier, the company was welcoming a new owner who had purchased majority control and established himself as the new president and chairman of the board. Lewis B. "Bud" Maytag Jr., was the heir to a washing machine manufacturing fortune. He wanted to run an airline. Maytag's vision for his company was profitable routes among major markets, not reliance upon government subsidy and, thus, restrictive government control. He apparently had little regard for local service requirements, the basis for Frontier's existence.

In order to meet the needs of its rapidly-expanding network, Frontier scrambled to find additional airplanes. Nine DC-3s were purchased from Trans-Canada Air Lines and refurbished to Frontier's standards. The company had studied and almost purchased new Fairchild F-27 turboprops, but settled instead on second-hand Convair 340s, bought from United Air Lines. The Convair had better operating characteristics for the mountainous region served by Frontier.

The airline's new routes blanketed the State of Nebraska, bringing service to 17 airports in that state alone. The state had expended a lot of money and effort, working with the communities involved, to upgrade airports and establish navigation aids. Service was inaugurated and soon the complaints started. Schedules that were initially convenient for the public were reworked to make same-day return travel

Several Nebraska cities were eliminated from Frontier's service by 1962, as reflected in this summer 1962 schedule, leading to law suits and unhappy travelers during this period. Under the leadership of Lew Dymond, Frontier would upgrade their Convairs to CV-580 "jet-props" in 1964, and expand into the jet age with Boeing 727s in 1966. These changes are reflected in airlince schedules in April 1964 and July 1969. (From the author's collection)

impossible and connections impractical. Flights operated late and there were complaints about everything from lost luggage to lack of heating aboard the DC-3s. Maytag was even accused of "sabotaging the service" to make it unattractive to customers, thus preventing it from achieving the "Use It or Lose It" minimums, resulting in a goal of having the Board eliminate the heavily-subsidized stations from Frontier's network. Whether the accusations were true or not, there were lawsuits filed and injunctions issued. Several of the isolated cities, in which so much promise was seen, were eliminated from Frontier's network before Maytag sold Frontier in 1962 and purchased National Airlines, a company whose size and characteristics more closely matched his aspirations.

Maytag's replacement in the president's office was Lew Dymond, who immediately went about the task of "mending fences" with the State of Nebraska and salvaging the service that remained. Ironically, Dymond was recruited from the management team at National Airlines.

Under Dymond's leadership, Frontier joined the ranks of local service carriers operating "jet-prop" aircraft when the company contracted to install Allison turboprop engines on its Convair 340s. The resulting conversion was dubbed the Convair 580, and, in 1964, Frontier became the first airline in the world to operate the type.

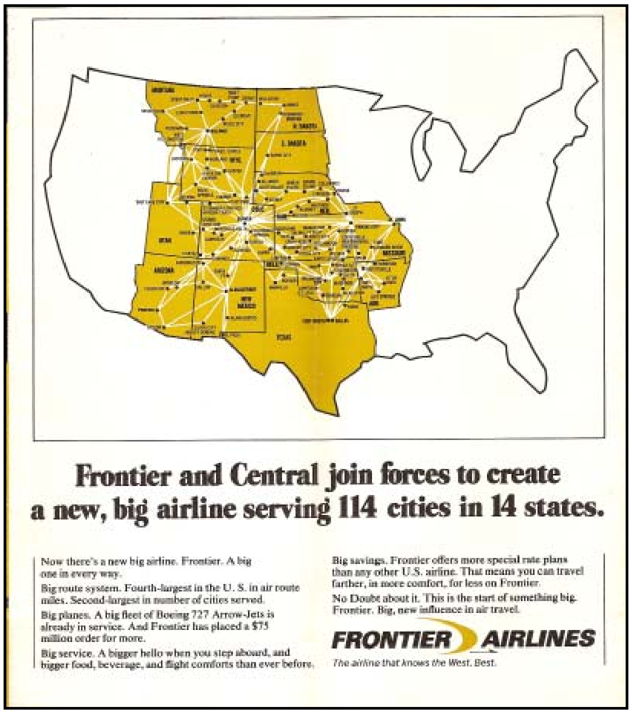
Lew Dymond truly brought Frontier into the jet age in 1966 with the purchase of Boeing 727-100 "Arrowjets." At first deployed on military charters and on scheduled runs between Denver and Grand Junction, and Denver – Lincoln – Kansas City, the 727s were an investment in the company's plans for unsubsidized long-haul service. The CAB was considering looser restrictions on local airline operations between major points on their systems. Frontier would be ready. The company also ordered the stretched -200 series of Boeing's famous tri-jet.

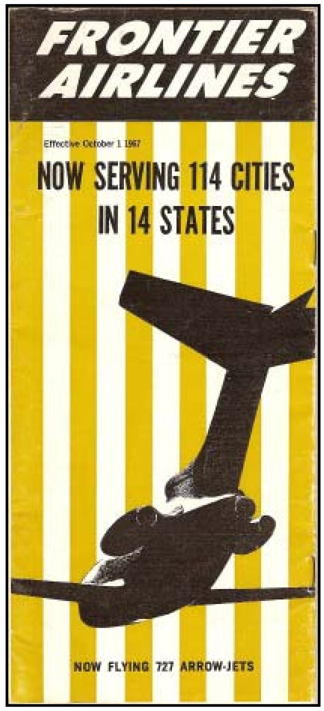
The next major event in Frontier's growth took place in the fall of 1967, and it was a dramatic step. Frontier absorbed, through merger, its neighboring local service carrier, Central Airlines. The acquisition of Central brought dozens of new stations, hundreds of new employees, and more DC-3s onto Frontier's system just as the airline was trying to reduce the number of *Gooney Birds* needed to operate its schedules. The merger also brought the Dart-powered Convair 600, a jet-prop conversion of the Convair 240, into its fleet. Frontier now served 114 cities in 14 states.

Throughout its history, the majority of Frontier's stock was bought and sold by different parties. Each change of ownership was usually followed by a change in management, thus Frontier went through several corporate visions during its existence. Dymond left the company in 1968.

After Boeing introduced the 737 twin-jet, Frontier's 727s were gradually withdrawn from service and over the course of the next few years the fleet was trimmed down to two primary types, the Convair 580 and the Boeing 737-200, with 16-passenger deHavilland Twin Otters handling service into a few small stations. The CAB had eased up on Frontier's non-stop and skip-stop restrictions, awarding the airline some major subsidy-free,

Neighboring local service carrier, Central Airlines, was absorbed through merger in the fall of 1967. The natural fit of these two local service airlines is captured in this photo of Frontier DC-3 N65276 and an unidentified Central DC-3 on the ramp at Kansas City (MKC) in June 1962. (From the author's collection)





The 1967 merger of Frontier and Central Airlines led to the combined airline serving 114 cities across 14 states. (From the author's collection)

competitive routes, including Denver – Kansas City, Denver – St. Louis, Denver – Dallas, Denver – Las Vegas and Dallas – Kansas City.

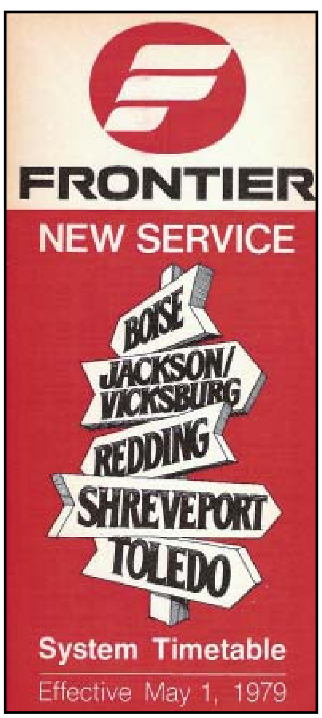
During the 1970s, Frontier's in-flight meal service was enhanced and became noted in the industry. Under the guidance of CEO, Al Feldman, the company enjoyed several years of profitable operation. Then 1978 brought deregulation to the airline industry in the U.S., and Frontier's wild ride began.

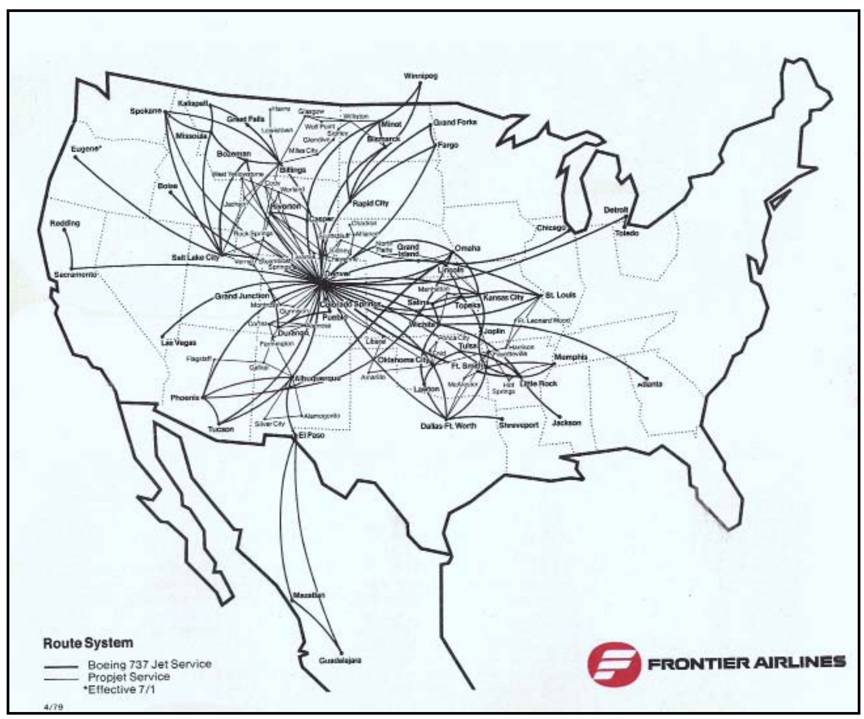
Some in the company were looking forward to unfettered skies that lack of a regulating agency would bring. But the reality of deregulation took twists and turns that most in the industry could not foresee. Some airlines, most notably Braniff, expanded recklessly, entering new markets with unrestrained growth. Others began cutting fares dramatically, forcing competing carriers to do likewise.

Frontier entered its own share of new cities, eventually expanding its network from Atlanta to Vancouver, and added the Douglas DC-9 Super 80 (MD-80) to its fleet.

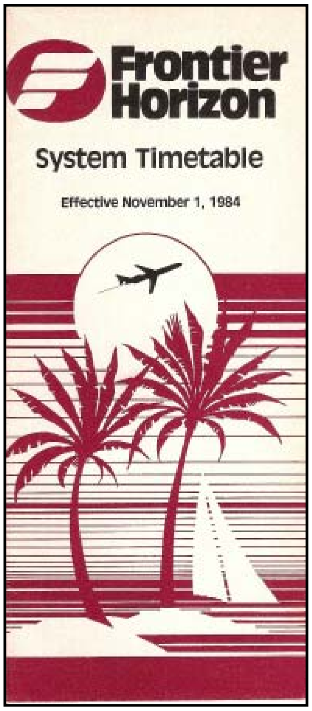
On May 31, 1982, Frontier became an all-turbojet carrier as the last Convair 580 retired from service. Frontier had experimented with turning over service at some small stations to contract third-level carriers before, but now Combs Airways took over the remaining small stations, operating as Frontier Commuter. Like some other former local service carriers, Frontier abandoned its initial reason for being in favor of a chance to compete for passengers travelling long distances, enticing them to connect via the company's Denver hub. Unfortunately, almost every other airline was vying for the same passengers, hoping to route them via their own hubs.

But Frontier was being squeezed in its hub airport by Continental Airlines, which had been reinvented as a low-cost carrier after it was absorbed by Frank Lorenzo's Texas Air Corporation. In a desperate move, Frontier Holdings, parent company of Frontier Airlines, fought back by launching a low-fare, non-union subsidiary called Frontier Horizon. The result





The 1970s saw the "good-times roll" for Frontier, up until deregulation in 1978. Then, like many airlines, Frontier attempted to rapidly expand as seen in the system timetable from May 1979 (middle) and the route map from the same period. (From the author's collection)



In an attempt to compete with low-cost, non-union carriers, Frontier Holdings, parent company of Frontier Airlines, created Frontier Horizon. This precipitated a backlash from the unionized employees of Frontier. (From the author's collection)

was an internal war when unionized Frontier employees, who had already taken pay cuts themselves, picketed against their low-wage non-union sibling company, Frontier Horizon.

United Air Lines also operated a hub in Denver, so now that Frontier was playing in the big leagues, the competition was coming from two sides. Gone were the days when Frontier "fed" its trunk carrier neighbors. The game had changed entirely and now, thanks to deregulation, it was a fight for survival.

There was talk of merger with Western Airlines. There was dramatic downsizing and the threat of a takeover by Lorenzo's Texas Air. Finally, Frontier was acquired by People Express, a large discount carrier that itself was a product of deregulation. People Express tried remaking Frontier in its own mold, charging passengers for checking luggage, selling soft drinks and eliminating hot meals. But People Express itself was losing money and soon began looking for someone else to sell Frontier to. A deal with United Air Lines fell through and Frontier declared bankruptcy, ceasing operations on August 24, 1986.

LAKE CENTRAL AIRLINES

Like Amelia Earhart and Jimmy Doolittle, in the 1930s Roscoe Turner was an aviation celebrity. He won numerous air racing trophies, his face graced the cover of *Time* magazine, and he dressed the part of a dashing pilot, always wearing a powder blue military jacket accessorized with a cap, scarf, boots, and a diamond-studded set of wings. For a final touch to his appearance and reputation, Roscoe Turner traveled with Gilmore, his pet lion cub, named after The Gilmore Oil Co., for whom he did publicity work.

Turner settled in Indianapolis, Ind., where he established a fixed-base operation (FBO) in a building and hangar erected for him by the city at Indianapolis Municipal Airport (renamed Weir-Cook Airport in 1944). The building was dedicated on May 29, 1941, and Roscoe Turner Aeronautical Corp. (RTAC) began offering flying lessons while it also sold, serviced and chartered aircraft.

Then the United States entered WWII. The Army asked Roscoe Turner's company to train pilots for the military, first via the Civilian Pilot Training Program and then through the War Training Service Program. When the training sessions ended in 1944, RTAC had graduated 3,500 new fliers.

Turner had some airline experience under his belt. In 1929, he had been the manager of operations for an outfit called Nevada Air Lines, which operated Reno – Bishop - Los Angeles and Reno – Tonopah – Las Vegas. For a couple of months in 1944, RTAC had maintained a non-scheduled 'charter' service between Detroit and Memphis via intermediate points until the CAB shut the unauthorized operation down. But Roscoe Turner's brief forays into the airline business plus his pilot-training contribution to the war effort and, perhaps most of all, his reputation impressed the CAB when he applied for a feeder airline certificate.

Turner wanted to establish a system of air routes to smaller communities radiating from Indianapolis in the same manner that the interurban railroads had fanned out from the city in previous decades. From the 1910s through the 1930s, Indianapolis had been famous for being the heart of an electric railway network that spread out across the State of Indiana from the city's big downtown Traction Terminal. RTAC applied to the Board for nine routes that would serve 94 cities, 73 of which would be receiving service for the first time. The proposed network would span 2,463 miles and was planned to be operated with a fleet of 14 Beech D-18S aircraft flying under visual flight rules (VFR). All aircraft would be serviced in the RTAC shops at Weir-Cook Airport.

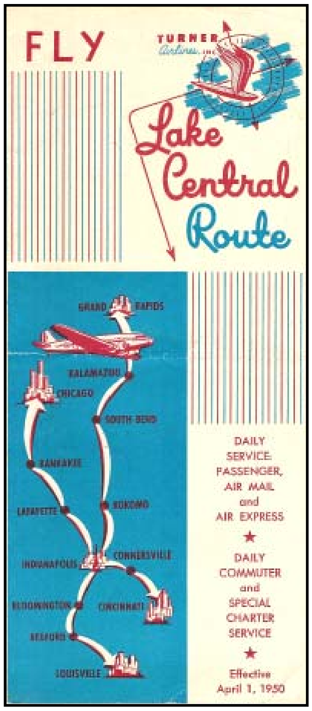
Several other companies also filed proposals to provide feeder service in the region.

When the CAB handed down its ruling in the Great Lakes Area Service Case on September 3, 1947, it was Roscoe Turner Aeronautical Corp. that was selected to provide feeder service from its base in Indianapolis. The award was for a much smaller network than the one originally envisioned by Turner: two routes intersecting at Indianapolis that would have terminal points at Chicago and Louisville, Grand Rapids and Cincinnati. Both routes would serve several intermediate points in addition to Indianapolis.

It was a good thing that Turner's award was for a much smaller system than the one he applied for. Finding financing for a new airline concept, which was looked upon as experimental, was not an easy task. The CAB issued RTAC's feeder certificate in February 1948 and, like all of the other feeder certificates being issued for airlines around the country, it was temporary, valid for just three years, after which time the entire operation would be scrutinized before the Board decided whether or not the certificate should be renewed.

The availability of war surplus C-47s, converted to 21-passenger Douglas DC-3 standards, made that aircraft the favored choice of most of the new feeders as the local service concept was evolving. The need to accommodate several passengers boarding at each intermediate point made aircraft with fewer than 10 seats look less desirable. Unfortunately for Turner, several of the airports on his new "system" were not yet able to accommodate aircraft as large as the DC-3.

Several other new feeders were also struggling with financing and aircraft issues. Reacting to the problem, the CAB issued an order on June 8, 1949, stating that single engine aircraft would be approved for scheduled service on relatively



LEFT: *Turner Airlines, with Roscoe Turner as president, inaugurated service in November 1949, but by early 1950 was already beginning to promote their route system as the "Lake Central Route."* **RIGHT:** *Lake Central Airlines began operating under that name in November 1950, along the routes shown in this May 1, 1951, schedule. (From the author's collection)*

short trips "where the topography of the area is favorable to their operation." This was a stopgap measure intended to help the new airlines get into operation, with larger aircraft to be purchased when airport facilities and financial arrangements had improved. But a single-engine Beech Bonanza or Cessna 190 accommodating only three or four passengers was not an appropriate aircraft for scheduled service. Still, the ruling would allow Turner to serve the smaller airports on his system until they had been sufficiently improved to allow DC-3 operations.

Now that the aircraft issue was settled, at least temporarily, financing still had to be dealt with. Roscoe Turner found his financial saviors in the form of a couple of brothers named Weesner. Roscoe Paul Weesner ("Paul") was a lieutenant commander in the U.S. Naval Reserve and the president of Nationwide Air Transport Service (NATS), one of the groups of non-scheduled airlines known as large irregular carriers. John Verlin Weesner ("John") had been a captain in the U.S. Army Air Force and was the president of Nationwide Airlines, a scheduled intra-state carrier operating in Michigan.

Large irregular carriers did not carry Certificates of Public Convenience and Necessity issued by the CAB and they were prohibited from participating in regularly scheduled operations except in circumstances with severe restrictions. They were relegated to the sphere of charter operations, and some in the ranks of the certificated airlines derided them as "fly-by-nights" or "non-skeds." However, Paul Weesner had built NATS into an impressive operation flying mostly cargo in a fleet that consisted of 14 DC-3s by 1949. NATS also owned two subsidiary companies that performed aircraft overhaul and maintenance services. Paul had expressed his displeasure with the CAB before, during testimony at Board hearings. He felt that the CAB was too restrictive when it came to oversight of the irregular carriers.

Intra-state airlines generally operate without CAB certificates and, thus, without air mail contracts since their service area is totally within the boundaries of a single state. Therefore, they are under the supervision of the state's regulatory agency. Nationwide Airlines operated scheduled flights connecting Detroit City Airport with cities on the Upper Peninsula (U.P.) of Michigan, via Lansing.

Roscoe Turner had the coveted Certificate of Public Convenience and Necessity and the guarantee of federal air mail subsidy that came with it, while the Weesner brothers had money and airplanes. Together they formed a new company called Turner Airlines, with RTAC holding 25 percent interest and the Weesners owning the balance. The CAB transferred RTAC's certificate to Turner Airlines on the condition that Paul divest himself of control of NATS within six months, eliminating the possibility of any common control of both Turner Airlines and NATS. The newly-certificated feeder airlines were governed and nurtured every step of the way by the CAB. The Board did not want any shady mingling of the non-sked's resources and the feeder's finances.

Of the 14 NATS DC-3s, four of those, plus spares and radio and communication equipment, were to be made available to Turner Airlines. The new company had Roscoe Turner as its president, now mostly just a figurehead, with Paul Weesner running the show as executive vice president. John Weesner was also a vice president.

Turner Airlines inaugurated service on November 12, 1949, with two daily round-trips between Indianapolis and Grand Rapids via Kokomo, South Bend and Kalamazoo. This was the only segment on which every airport could handle the "big" DC-3s.

Service from Chicago to Louisville via Lafayette, Indianapolis and Bloomington, using single-engine Beechcraft Bonanzas, was inaugurated on January 30, 1950. The airports at Lafayette and Bloomington could not yet accommodate the Douglases. The remaining segment between Indianapolis and

Lake Central, like most of the local service airlines, operated a fleet of DC-3s of which N12716, seen here in an early paint scheme, was one. (From the AAHS archives, AAHS-P006030)

Lake Central adopted this red-white-blue livery in the 1950s, seen here on DC-3 N18667. (From the author's collection)

Cincinnati via Connersville, Indiana, was put into operation with Bonanzas in February. Bloomington's and Lafayette's airports were upgraded for DC-3s during the year leaving Connersville and, thus, the Indianapolis – Connersville – Cincinnati segment the only one still requiring the Bonanzas. The type would remain in the fleet to service that route until August 1952.

In November 1950, the company officially changed its name to Lake Central Airlines (LCA). Even before the official name change, the airline had begun using the slogan, the "Lake Central Route," painting the words above the window band on its DC-3s. Roscoe Turner's association with the airline that he founded would end completely when he sold his share of the company to the Weesners.

In October 1950, the airline leased a Curtiss C-46 to join two of its DC-3s in a military Commercial Air Movement (CAM) operation. The contract required the transportation of personnel among various air force bases and airports. This was a charter commission from the United States government that brought a significant amount of revenue into LCA's coffers. Two DC-3s and the C-46 were assigned to the operation and the company stationed two of its personnel in San Antonio, Texas, to handle the large number of flights into and out of that city as part of the movement. Unfortunately, the C-46 in question was leased from Nationwide Air Transport Service (NATS).

It appeared that the CAB had been justified in their concern about interlocking activity. When the Board examined Lake Central's books, they found that depreciation of the C-46's modification costs had been improperly charged to Lake Central's account for the CAM operation. But that was the tip of the iceberg. Both of the aircraft overhaul companies owned by NATS had performed engine maintenance for Lake Central or had billed LCA for parts and service. Bookkeeping adjustments had to be made by the CAB for thousands of dollars worth of transactions incorrectly charged to Lake Central's accounts. The feeder carriers were tightly regulated and were subsidized with public funds. An air carrier with a Certificate of Public Convenience and Necessity could not be as cavalier about its bookkeeping practices as could a non-scheduled airline.

Then there was the relationship between John Weesner's intra-state carrier, Nationwide Airlines, and Lake Central. The Board found that Nationwide Airlines had leased DC-3s to LCA. Then, in the CAB's Michigan-Wisconsin Service Case, both Lake Central Airlines and Nationwide Airlines submitted identical applications for authority to operate between Detroit and the U.P. via Lansing and Grand Rapids, Mich., and Green Bay, Wisconsin. If either carrier won the authority, the Weesners would be in charge. As it turned out, the route was given to Wisconsin Central Airlines.

Even after the books had been straightened out Lake Central was bleeding red ink. Furthermore, the casual transactions among all of the Weesner companies and the flagrant violation of the Board's edict regarding separation of LCA and NATS interests caused the CAB to question the competence of Lake Central's management to keep the airline operating. The CAB issued a directive: If the Weesners could find a buyer for Lake Central and would step down from management of the airline, the company might be given a reprieve and authority to expand. But Lake Central was on life support and, as if to add insult to injury, one of the Bonanzas (N8765A) crashed at Indianapolis on August 1, 1952, when the tiny airplane was caught in the wake turbulence of a Constellation. Fortunately, all three aboard survived.

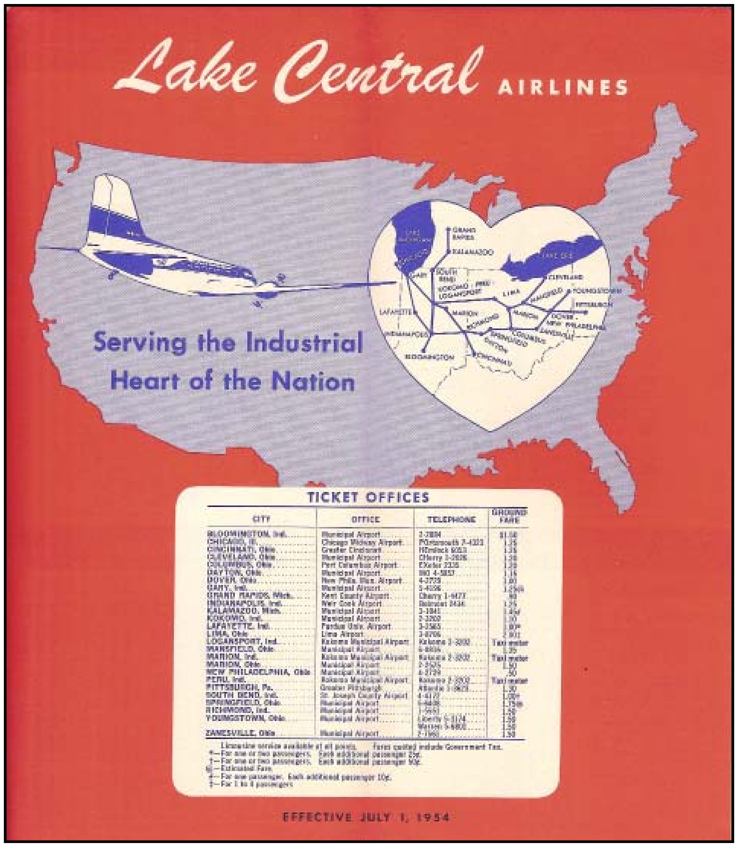
Paul Weesner sold NATS to Resort Airlines, a carrier that offered all-inclusive tours to passengers aboard C-46s, and then took an executive position with Resort. Having Paul and NATS removed from Lake Central's sphere of influence should have made the CAB happy, but Paul's brother, John, was now in charge of Lake Central.

To appease the CAB, on November 18, 1952, the Weesners entered into a trust agreement with Harry V. Wade, president of Standard Life Insurance Co. of Indianapolis. Mr. Wade would hold, as trustee, the vast majority of Lake Central's stock, most of it still owned by the Weesners, and manage reorganization of the company. All officers and directors of Lake Central submitted their resignations and Mr. Wade rebuilt the company's board of directors.

Dr. Robert B. Stewart, vice president and treasurer of Purdue University, was one of the people who joined LCA's new board. Purdue, with its world-renowned School of Aeronautics, had tried to purchase Mid-West Airlines, a failing feeder carrier based in Des Moines, Iowa, in order to rehabilitate that company and use it as "a live laboratory to study airline transportation and its various ramifications." But the CAB saw Mid-West as a lost cause and did not renew the carrier's certificate.

Next, the university offered its assistance to Wisconsin Central Airlines, another struggling feeder that had recently transitioned from Lockheed L-10A Electras to DC-3s, and had undergone a rapid route expansion, taking on a lot of debt in the process. Dr. Stewart wound up on that airline's board after Purdue agreed to sell nine DC-3s to Wisconsin Central and take up the balance of an insurance company loan. With its expanded network and growing fleet of DC-3s, Wisconsin Central changed its name to North Central Airlines.

Dr. Stewart was serving on the boards of both North Central and Lake Central, so it was not surprising that the next announcement was an offer by North Central to buy Lake Central, with the intent of merging the two Purdue-influenced



By 1954, Lake Central was serving 26 cities and the airline had adopted a new solgan: "Serving the Industrial Heart of the Nation." (From the author's collection)

In early 1957, Lake Central added Detroit, Mich., Buffalo, N.Y., and Toledo, Ohio, to their route system and increased their all DC-3 fleet to 10 aircraft. (From the author's collection)

companies together. North Central would be the surviving carrier.

But the CAB was watching Lake Central's rehabilitation. The Board transferred several small stations in Ohio and Indiana from TWA to LCA, and gave the airline entry into the industrial markets of Pittsburgh, Cleveland and Youngstown. The Board renewed Lake Central's certificate only through December 31, 1954, but it was a show of reserved confidence that the airline could turn itself around.

Lake Central began its expansion and adopted a new slogan, "Serving the Industrial Heart of the Nation." The little airline was now serving some cities of substance with dynamic smaller stations in between presenting a perfect example of the local airline model. The company had its share of problems but Lake Central's revenue passenger load continued to climb.

The management and staff of Lake Central worked hard to build the airline's reputation and offer the best service they could. But, with all of the stock tied up in a trust fund waiting for North Central to purchase it, the airline was stymied. Meanwhile, North Central Airlines was having its own problems with losses exceeding $100,000 in 1953, for the second year in a row. On June 25, 1954, after waiting over a year and a half for North Central to act, the employees of Lake Central entered into an agreement with the trust holding LCA's stock. Asserting that North Central had breached its contract by not following through on its promise to purchase LCA, the Lake Central Employee Stock Purchase Group was formed. The group's intent was to buy 80,954 shares, the vast majority, of Lake Central's common stock from the Weesners, via the trustee, at the price of $1 per share to be paid for through payroll deduction. North Central countered that its acquisition agreement was senior to the employee stock purchase plan and was legally enforceable. But talk was cheap as long as North Central didn't put up any money to back its offer. North Central would continue to challenge the employee group and the trust in court for its "right" to purchase Lake Central for several more years, but the employees began purchasing their company's stock and, in 1955, a new slogan, "America's Only Employee-Owned Airline," began to grace timetables and advertising materials.

Back at North Central, Purdue's Dr. Stewart left the board of directors. However, he would remain on Lake Central's board for several years to come.

Then, on May 19, 1955, President Dwight D. Eisenhower signed legislation granting permanent certification to America's "grandfathered" local service (feeder) carriers. Thirteen airlines qualified for a permanent Certificate of Convenience and Necessity, including Lake Central. LCA was now an established entity with a permanent certificate guaranteeing investors that the airline was here to stay. Investors still couldn't touch the stock while it was tied up in the trust, challenged by North Central and being purchased by Lake Central's own employees, but there was now hope that the company and its employees would soon be able to generate cash for fleet and route expansion. After the formal CAB process, the company's permanent status became effective as of January 24, 1956.

Without outside investors putting money into the company, with litigation constantly hanging over its head from North Central, and with the CAB controlling the company's growth based on LCA's ability to function under such conditions, the airline slowly added more stations to its route system. The important terminals of Buffalo, N.Y., and Detroit, Mich., were added in 1957. Lake Central leased two DC-3s from the Navy in the summer of 1957, increasing the company's all-DC-3 fleet to a total of 10 aircraft.

The airline saved money any way possible, performing its own airframe and accessory overhaul and printing all company material, including timetables, in its own print shop. LCA raised what money it could by offering 'convertible subordinated debentures' for sale. These were financial instruments that would be converted to common stock at $3 per share, if and when Lake Central won its court battle against North Central.

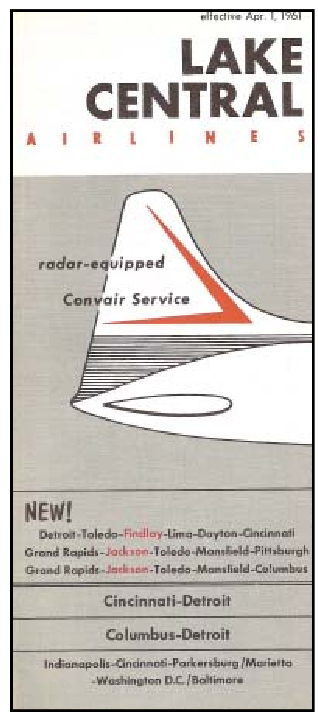
In 1959, the court ruled in favor of Lake Central and its employees for the final time. The threat of a North Central takeover was removed and the voting trust that had been established back in 1952 was dissolved on January 7, 1960. The employees of Lake Central Airlines could now do what they wanted with what were truly their own shares of LCA stock and the company could finally generate revenue by offering more shares to the public. Lake Central was one of the smallest of the 13 local service carriers, operating a fleet of just 12 Douglas DC-3s at the beginning of 1960, but things were about to change.

The CAB was ready to help Lake Central live up to its potential. With awards that transferred routes and stations from trunk carriers to LCA, and with further authority to serve more new stations, Lake Central embarked on its 1961 expansion, the largest in the company's history. The airline added seven new airports in West Virginia alone as its system was extended eastward to Washington (National) and Baltimore (Friendship). New north-south authority to operate Pittsburgh – Erie – Buffalo and Cincinnati – Columbus – Toledo – Detroit was granted. Evansville, in southernmost Indiana, was added to the network as was a route from Grand Rapids to Pittsburgh via intermediate points. Every airport certificated for service in the state of Ohio, and all but two in Indiana, would now be on Lake Central's route map. LCA's system mileage doubled from 2,175 to 4,309 with the addition of 14 new stations.

A new issue of stock was offered and loans were secured from Indiana banks. The company doubled its employee ranks, from 450 to 900, and bought eight additional second-hand DC-3s. For its more heavily-travelled routes, the airline was ready to purchase Convairs. Initially the plan was for Lake Central to be one of two carriers to introduce the 52-passenger Allison Prop-Jet Convair (later called the Convair 580, a turboprop conversion of the Convair 340, to the world. But problems arose and the Allison order was cancelled. LCA purchased five traditional piston-engine Convair 340s from United Air Lines.

The expansion officially began on January 1, 1961. The Convair 340s were introduced into the timetable on March 1, and the expansion was completed on October 29, with the introduction of service to Martinsburg, West Virginia.

The airline spent the next few years dutifully serving its role as one of America's local service airlines. Instead of jumping into the race for jets, Lake Central continued to look for the elusive DC-3 replacement, a modern aircraft with comparable capacity to the aging *Gooney Bird*, but with better passenger amenities and lower operating costs. Lloyd Hartman, LCA's president in the mid-1960s, thought he had found the perfect design in the French-built Nord 262, an upgrade of the 260 Super Broussard design powered by two Turbomeca Bastan 6-C1 turboprop engines driving Ratier-Figeac 3-blade, constant speed propellers. The 262 would carry 27 passengers in pressurized, air-conditioned comfort with such amenities as



LEFT: *In 1960, Lake Central adopted a new corporate logo and was granted permission to expand its service. This led to a search for equipment to replace their DC-3s that included the addition of Convair 340s in 1961, Nord 262s in 1965 (*middle top*, AAHS-P006955) and upgrading their 340s to 580 standards (*middle bottom, *AAHS-P006954).* **RIGHT**: *LCA was quick to promote their new equipment as seen in the April 1961 schedule. (Schedules from the author's collection)*

An evolution of marketing messages is portrayed in these three route schedule pamplets. From "We Pamper passengers throughout the Mid-Central U.S.A." to "The Airline with a Heart." **LEFT to RIGHT:** *January 5, 1964, schedule; September 1, 1965, schedule; January 3, 1968, schedule. Note the subtle change to the logo between 1965 and 1968.*

built-in tray tables and pull-down window shades. The aircraft had only a 500-mile range but its airport runway requirement was a short 3,770 feet at max gross takeoff weight at sea level with standard temperature. Takeoff performance was enhanced by a water-methanol mixture injected into the engines. Hartman had such faith in the French product that he signed for exclusive sales rights in North America. He was betting Lake Central's future on the new aircraft.

The Nord 262 received its FAA type certificate for operation in the U.S. on March 15, 1965. Lake Central's initial order was for eight, with financing in place for a total of thirteen 262s, which, it was anticipated, would totally replace the DC-3 fleet by mid-1966. LCA introduced its new bird into scheduled service on October 31, 1965, Halloween Day.

As with many new aircraft, the Nords experienced maintenance teething problems resulting in delays and cancellations. Then, much more serious issues with the Turbomeca Bastan power plants started to surface as catastrophic engine failures began to occur in flight. The last two engine explosions happened a week apart in August 1966, one near Morgantown, the other near Martinsburg, West Virginia. Parts of the engine penetrated the fuselage and entered the cabin in both instances, seriously injuring two passengers in the Morgantown incident. Safe landings followed each episode but the entire Nord fleet had to be grounded until the source of the trouble was identified. The reliable DC-3s were pressed back into service.

Corrosion caused by the water methanol injection system was the culprit in the Nord engine failures and the aircraft remained grounded for several months while Nord engineers resolved the problem. The French planes were returned to service in February 1967 carrying the new moniker, Nord II's. But the damage had been done to the type's image and the Nords never caught on as a viable DC-3 replacement in the U.S. market.

While the Nords were grounded, Lake Central began conversion of its Convair 340s to Allison jet-prop Convair 580 standards. The company focused its advertising on the renovated Convairs, attempting to downplay the Nord issue. But tragedy struck on March 5, 1967, when one of the 580s disappeared from radar screens as it made its way through the evening sky in western Ohio. Thirty-eight people (35 passengers plus a crew of 3) lost their lives that night in Lake Central's first and only fatal accident. Reminiscent of the Nord in-flight engine failures, an improperly-machined propeller blade had failed on the right engine causing all 4 blades to separate from the hub, one of which caused catastrophic damage to the fuselage as it sliced through the cabin of the aircraft. A warning telegram from the FAA had been received by Lake Central and other operators of the 580 just two days prior: check propeller hydraulic fluid for signs of steel powder or filings. A problem with some of the 580 props had been reported to the agency by outside sources on March 2. The hydraulic fluid in the doomed aircraft's right engine had passed inspection and, even though Lake Central was not at fault, the accident was another blow to the company's reputation.*

Between September 1965 and March 1967, Perry R. Bass of Ft. Worth, Tex., and his associates had acquired approximately 25 percent of Lake Central's outstanding common stock. The Bass interests also owned 6.6 percent of the common stock of Allegheny Airlines (121,000 shares) with warrants to purchase 41,000 additional shares. Lloyd Hartman, who had led Lake Central since 1962, was replaced as president by L. Thomas Ferguson, recruited from the executive ranks of Allegheny. But before being ousted as president, Hartman had negotiated with Boeing Aircraft to truly bring Lake Central into the jet age. He signed an agreement to purchase three Boeing 737-200s with the intent of putting them into service on LCA's most heavily-traveled routes. The order was cancelled as events unfolded.

In the fall of 1967, a new advertising campaign was introduced as Lake Central became "the airline with a heart." As part of the campaign, the company began painting the vertical fins of the 580s and the Nords bright red with a white heart

** An excellent essay on the cause of this accident, entitled "Soft Steel," by Dave Nichols, can be found on-line at: www.cahslunken.org/Stories/ReachingBackSoftNichols.htm*

Even with the new slogan and logo, Lake Central continued to suffer financial loses that eventually led to their merger with Allegheny in July 1968. (From the author's collection)

emblem in the center.

But catchy phrases and airplanes with hearts on their tails were not enough to stop the financial losses or to prevent what appeared to be inevitable. On October 18, 1967, Lake Central and Allegheny filed a joint application with the CAB requesting permission to merge. Allegheny would be the surviving carrier. The Bass interests had two members sitting on Lake Central's board of directors. Leslie O. Barnes, the president of Allegheny, testified before the CAB that, even though Mr. Bass and his associates would own about 14 percent of the common stock of the surviving company, this investment would not constitute control of Allegheny "by any stretch of the imagination." But certainly someone had been calling the shots at Lake Central, deciding who would stay and who would go, determining that the airline should merge instead of trying to remain independent, and declaring who it should merge with.

The stockholders of both airlines overwhelmingly approved the merger on March 14, 1968. Mr. Ferguson, LCA's president, would find himself returning to be among the familiar faces in Allegheny's executive offices once again.

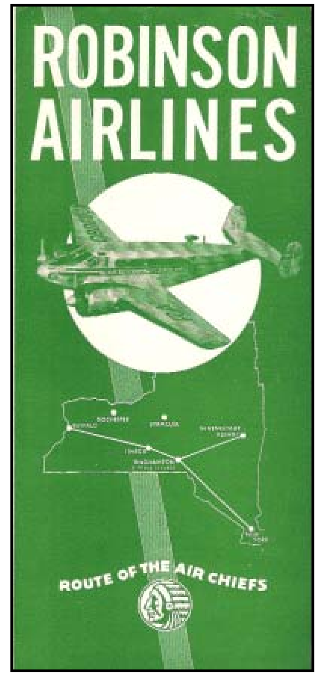
On July 1, Lake Central's identity was lost as Allegheny issued the first timetable of the merged companies. The "airline with a heart" was now just a memory as its system was incorporated into Allegheny's route map above the advertising copy: "People in a hurry fly Allegheny."

MOHAWK AIRLINES

Several of the local service carriers were the result of a single man's vision, the founder of the company, who was usually the same person that remained at the helm for most of the airline's existence. Mohawk's story is the tale of two men: the founder, C.S. Robinson, and the person who took over from him, Robert E. Peach.

Robinson was an aerial photographer and an inventor from Ithaca, N.Y., the home of Cornell University. One of his patents that brought an order from the military in the 1940s was a shock-absorbing mount for cameras used aboard aircraft. He established Robinson Aviation Co. in Ithaca and, later, set up a division in Teterboro, New Jersey. Robinson's need to commute between his two locations prompted the purchase

Robinson Airlines operated initially as an intrastate carrier within the confines of New York state as seen in this April 1947 route schedule. (From the author's collection)



of, first, one Fairchild F-24, then a second. Businessmen from Ithaca were requesting space aboard his flights between Ithaca and Teterboro, one of the New York City area airports, and the next logical step in Robinson's view was to establish a scheduled service.

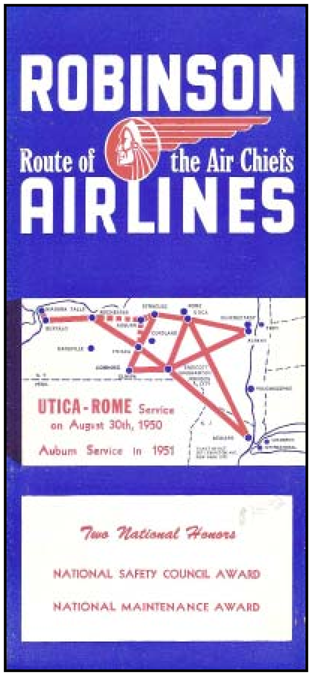
To function as an intra-state carrier with licensing solely from the State of New York, Robinson's scheduled flights were to be operated between Ithaca and New York City's Roosevelt Field. Trading as Robinson Airlines, service began on April 6, 1945. In the fall of that year, two twin-engine Cessna T-50s were acquired to replace the Fairchilds. Then the Cessna's were retired in the spring of 1946 as four new Beechcraft D-18s joined the fleet. Robinson Airlines referred to itself as the "Route of the Air Chiefs."

One of the first pilots hired by Robinson was a 25-year-old law student from Cornell University named Robert E. Peach. Peach had received his pilot training in the Navy during WWII, and he was joining this new airline venture at its very beginning. He would stay with it almost until the end of its existence.

At first a big part of Robinson's financial backing came from Cornell and from Ithaca's Grange League Federation. As the airline quickly grew and filled the air transport needs of nearby Binghamton, Endicott, and Johnson City, N.Y., the major businesses of those cities (Link Aviation Devices, manufacturers of the Link Trainer; International Business Machines – IBM; and the Endicott-Johnson Shoe Co.) all invested in Robinson's service.

Robinson Aviation had applied for a feeder certificate from the CAB in 1945. The part of New York State that C.S. Robinson's airline served was in need of air transportation, as demonstrated by the fact that Robinson's intra-state service transporting passengers from Binghamton and Ithaca to New York City, Buffalo, and Albany carried 12,000 passengers in 1946 and 21,000 in 1947. The Board chose Robinson in the Middle Atlantic Area Case to operate certificated feeder routes throughout New York State, adding such important stations as Syracuse, Rochester and Elmira/Corning to the little airline's network. New York City would be served via Newark Airport in New Jersey. The technicality of transferring the certificate from Robinson Aviation, the applicant, to Robinson Airlines, the operating carrier, took place on November 9, 1948. With the certificate came the responsibility of carrying the mail and the coveted guarantee of federal air mail subsidy.

By the time that Robinson operated its first service under its



LEFT: *The August 30, 1950, schedule announced the addition of Utica/Rome, N.Y., to the route system.* **MIDDLE/RIGHT:** *In 1954 Mohawk acquired a Sikorsky S-55 that it used for three months between Newark Airport and Jennie Grossinger Air Field in Liberty, N.Y. (From the author's collection)*

new certificate, on September 19, 1948, 21-passenger Douglas DC-3s had already replaced the Beech D-18s. The company's service was popular and the larger aircraft were required to meet demand.

On August 30, 1950, a new station was added to the Robinson network, one which would play a big role in the company's future. Utica/Rome, N.Y., served through Oneida County Airport, was another market with great potential waiting for air service to connect it with New York City.

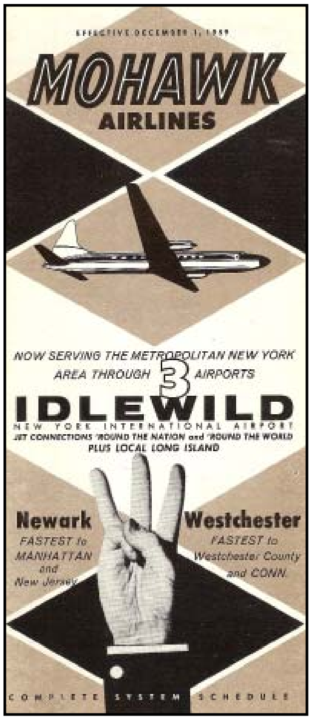
As with Roscoe Turner's departure from Turner Airlines, the company that he founded, C.S. Robinson had entrusted Robert Peach, now executive vice president and general manager, with operation of the airline. After Robinson's retirement from the airline operation, a new name for the company was chosen and submitted to the CAB. Effective August 23, 1952, the Board officially recognized the certificate holder as Mohawk Airlines, Inc.

In 1953, Mohawk's system finally left the States of New York and New Jersey when authority was given to operate eastward from Albany, N.Y., to Boston, Mass., via intermediate points following the demise of EW Wiggins Airways, the feeder carrier originally certificated to serve Massachusetts.

Robert Peach officially assumed the presidency of Mohawk in 1954, a year in which the airline embarked upon a novel experiment. The company had been authorized to serve Middletown, N.Y., since 1948, but the airport at Middletown had never been made adequate for DC-3 operations. Mohawk requested to have the Middletown authorization transferred to Liberty/Monticello, N.Y., which was closer to the heart of the Catskill Mountains resort area. The request was granted but the Sullivan County Airport, serving Liberty and Monticello, was not ready for DC-3s either. Mohawk purchased a single Sikorsky S-55 helicopter, originally intended for military operation, equipped it with eight passenger seats, and put it to work shuttling passengers between Newark Airport and Jennie Grossinger Air Field in Liberty from June 7, 1954. The flight was scheduled for 59 minutes ("less than an hour," in Mohawk's publicity), and the S-55 put in a total of 198 hours operating the schedule for three months, until Labor Day. Only 341 passengers were carried all summer with an average load factor of 25.83 percent. It was the end of Mohawk's experiment with scheduled helicopter service.

The helicopter operation aside, Mohawk served a strong market area with the highest load factor among the Locals. An opportunity presented itself in 1955, and Robert Peach grabbed it. Three Convair 240s that had been destined for Central Air Transport, a mainland Chinese airline, had been flown to Hong Kong before the Communist takeover in 1949. After a court battle, ownership was transferred to Civil Air Transport (CAT) of Taiwan, Chiang Kai-shek's Nationalist Chinese airline formed by Gen. Claire Chennault. By the time that the legal

Mohawk introduced Convair 240s to their route system in 1955. (Photo from the Bill Thompson collection)



LEFT: *With the addition of Convair 440s in 1959, Mohawk adopted a black-and-gold paint scheme that was carried over to their marketing materials as seen in the September 1959 and June 1960 schedules.* **ABOVE:** *Mohawk began phasing out their DC-3 fleet in the late 1950s, but retained a few specially decked out "Gas Light" Gay Nineties aircraft. (From the author's collection)*

battles subsided, Chennault was ready to dispose of the planes and Mohawk purchased them. These like-new aircraft, which had accrued very little flight time, were introduced on The Route of the Air Chiefs in the summer of 1955. They became the first pressurized airliners to be flown by a local service carrier. More Convair 240s were acquired as the decade progressed.

Mohawk spread its wings westward to Erie and Detroit in 1956, adding the Motor City as a strong connecting point and source of origin and destination traffic.

In 1957, Mohawk was granted authority to fly nonstop between Syracuse and New York City, a pivotal award by the CAB because it pitted a local service carrier against a trunk airline (American) for the first time. Both airlines employed the same equipment on the route (240s) but Mohawk operated its flights on turnaround service, meaning every seat on the aircraft was available for Syracuse – Newark passengers, while American's services were through-flights continuing on beyond Syracuse to Rochester or Buffalo and other points.

Mohawk's need for a new headquarters building and hangars offering more space was met by Oneida County, N.Y., which built Mohawk a $3 million complex at the Oneida County Airport serving Utica and Rome. Mohawk moved its general offices 78 miles, from the airline's birthplace in Ithaca to its new home at Utica in 1957, occupying the brand new 'headquarters plant' in 1958, "one of the finest, most complete facilities in the scheduled airline industry today," according to the company's own public relations.

With the removal of a galley and some luggage space, Mohawk raised the passenger capacity of its Convair 240s from 40 to 46. The DC-3s were already outfitted with 28 seats, which was accomplished with two-by-two seating down all seven rows. Each of the company's aircraft was designated as an Air Chief and given a Native American name: Ticonderoga, Algonquin, Mohican, Iroquois, etc.

More capacity was needed and, once again, Mohawk upstaged its fellow local service compatriots by acquiring the most advanced model of the piston-engine Convair Twin series, the 440 Metropolitan, brand new from the manufacturer instead of second-hand from another airline. The examples purchased by Mohawk in 1959 had been ordered by LACSA of Costa Rica, but that airline cancelled its order leaving the ships available for purchase by Mohawk. With the introduction of the four Metropolitans into the company's fleet, Mohawk adopted a rich black-and-gold paint scheme and Convair 440 flights were designated as "Golden Metropolitan Service."

Mohawk entered two more strong markets in 1960 with the inaugural of flights to Cleveland, Ohio, and Providence, Rhode Island. In keeping with its local service mission to bring air service to smaller cities, both Olean, N.Y., and Jamestown, N.Y., were also added to Mohawk's network that year.

Pittsburgh, another strong station, joined the system in 1961, which was the year in which Mohawk got its biggest single route mile boost to date. Eastern Air Lines had inherited several stations in Upstate New York and Vermont through its merger with Colonial Airlines in 1956. Like most of the other small cities still on Eastern's route map, the company had served these points with its Martin 404 Silver Falcons, 60 of which had been purchased brand new and put into service between 1951 and 1953. Now, with the advent of the jet age, Eastern and the other trunk carriers were trying to shed themselves of their remaining smaller cities to concentrate on major markets. The CAB approved the transfer of these stations from Eastern to Mohawk, along with nonstop service between New York and Albany, another prized New York State market. To handle the transferred service, Mohawk acquired 15 of Eastern's Martin 404s (14 for flying; 1 for spares). Eight of the type went into service in September 1961, and Mohawk designated them "Cosmopolitans," the same designation given to its Convair 240s.

At the other end of the equipment spectrum, Mohawk was phasing out the last of its Douglas DC-3s, but wanted to keep a few of them around as long as possible to provide extra lift and

1965 saw equipment upgrades to Fairchild FH-227s (above) and BAC 111s (right), with the Convairs eventually being phased out while retaining a few 240s. Mohawk was the first regional to offer pure jet service. (FH-227s from the AAHS archives, AAHS-P005875, BAC announcement from the author's collection)

generate revenue. In the most novel marketing ploy to make the old birds as attractive as possible, the company painted them in a Gay Nineties theme and christened them "Gas Light Service" aircraft. The interiors of the planes featured brocade curtains and carriage lamps while the flight attendants assigned to the service wore dresses styled in 1890s fashion. Beer, pretzels, cheese and cigars were offered on board and, at first, the flights were restricted to men only, another marketing ploy to make businessmen feel like they were enjoying an exclusive 'private club' type of service. The 'men only' restriction was soon dropped. The Gas Light Service concept received lots of favorable publicity and proved to be a popular concept. The company finally retired its last DC-3 in 1962.

Mohawk's strong presence at its New York State stations was enhanced by the company's frequent commuter service from each major point to New York City. By making flights available throughout the day, more customers found it convenient to rely on Mohawk as their way 'out of town.' Instead of offering the typical schedule of a local airline with either two or three flights per weekday in each direction, Mohawk in 1962 offered 12 weekday departures from Albany to New York, seven each from Binghamton and Syracuse and four nonstops from Utica/Rome along with two one-stops.

Mohawk was riding high. In 1963, Toronto joined the airline's system officially making it an international carrier. Mohawk was the largest of the 13 local service airlines in terms of passenger miles flown and the company had placed the first order among the Locals for pure jets, British Aircraft Corporation BAC-111s, to be delivered starting in 1965. The jets would take the Locals to a whole new level. Mohawk was already referring to itself as a Regional instead of a Local and, of all the Locals, Mohawk had the densest population base to draw passengers from and put them aboard those jets, which would compete with American Airlines in some markets.

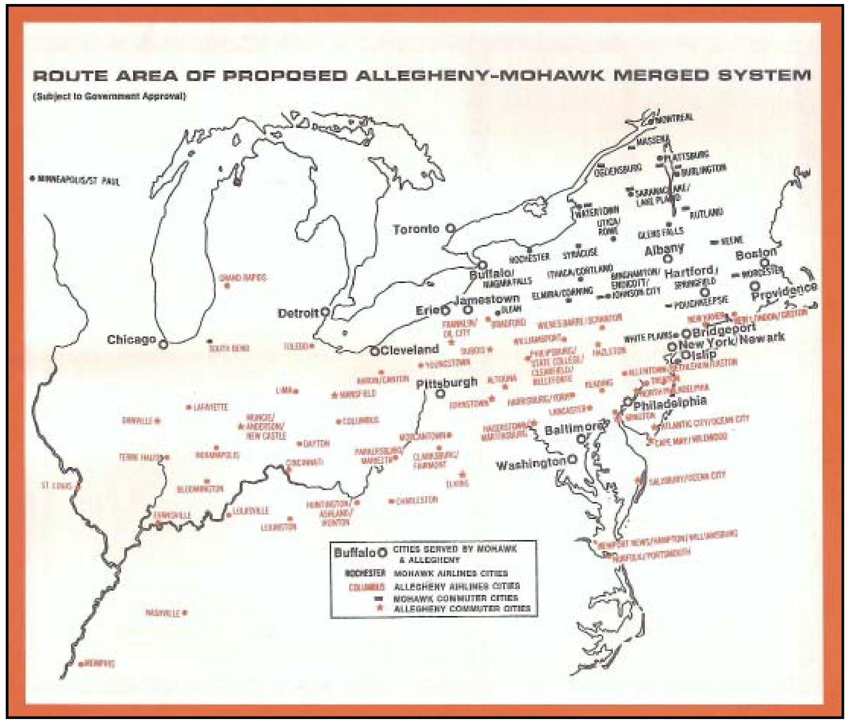
The jets started to arrive in 1965. More and more of them were purchased. Twenty-four BAC-111s would eventually join the Mohawk fleet. Meanwhile, the entire piston-engine fleet was being replaced by brand new Fairchild-Hiller FH-227s. The Martin 404s had already been traded with Ozark Air Lines for that company's handful of Convair 240s, reducing the number of different aircraft types in Mohawk's fleet. Now all of the Convairs, 240s and 440s, were to be replaced by the factory-fresh Fairchilds. Mohawk had entered a whole new world of economics.

A new training center was built in Utica, and service was inaugurated to Washington, D.C., and to Philadelphia in 1966. But in 1966, Mohawk ended the year with less net income than it had the year before. Reduction in subsidy and a strike against Mohawk by the IAM were listed as part of the blame.

Then, in 1967, passenger load factor declined and the cost of the re-equipment program made itself felt. Also in 1967, one of the BACs was lost in an accident. The plane crashed 13 minutes after takeoff from Elmira/Corning, claiming the lives of all 34 aboard. Malfunction of a part in the auxiliary power unit was blamed. Mohawk lost money that year, certainly an anomaly.

But, economically, 1968 was worse than 1967, and 1969 was worse than 1968. The airline lost \$4.3 million in 1968 and \$4.9 million in 1969.

1970 would prove to be no better as the country suffered through a recession. Mohawk's huge outlay on turbine-powered aircraft was just one of the factors adding to Mohawk's losses. A 1968 work 'slowdown' by the Professional Air Traffic Controllers Organization had greatly disrupted Mohawk's New York City-centric operation. Government subsidy payments were being drastically reduced as Mohawk was relying more and more on subsidy-ineligible services between its larger cities.



By 1969 Mohawk was still expanding including the addition of Montreal and placing an order for three Boeing 727-200s. But, problems within the company including labor actions by unions resulting in a 154-day shutdown between November 1970 and April 1971 damaged the company beyond recovery forcing its merger with Allegheny Airlines - the combined route systems territory illustrated in the map on the right. (From the author's collection)

Despite the bad financial news, Mohawk continued to grow. CAB authority was received in 1967 permitting nonstop flights between Detroit and five major cities in Upstate New York. Montreal was added to the network and, in 1969, Mohawk announced an order for three Boeing 727-200s. Minneapolis/St. Paul and Chicago were added to the system in 1970 and 1971, respectively.

But problems within the company escalated. Robert Peach had moved from president to chairman of the board and CEO, but he was removed from office and replaced by Russell Stephenson, who acted as both president and CEO.

Then, on November 19, 1969, a Mohawk FH-227 crashed on approach to Glens Falls, N.Y., killing all 14 aboard.

Peach had not been a fan of organized labor and, during the 1960s, Mohawk had suffered two strikes: the first, an 18-day action by flight attendants in 1960, then the 53-day IAM strike during the holiday season in 1966. On November 12, 1970, Mohawk's pilots walked out over the issue of transferring some of Mohawk's flying into smaller stations to contracted commuter carriers. The strike lasted 154 days, with the pilots returning to work on April 14, 1971.

The shut down had been too much for the company and the damage was done. Mohawk was now a dying airline and negotiations were entered into with Allegheny, its local service neighbor. Mohawk would lose its identity as it merged into the Allegheny Airlines system. But before that happened, two more sad events would play out in the Mohawk story.

On April 20, 1971, Robert E. Peach, the man who had overseen Mohawk from its inception through to the jet age, was found dead in his home of an apparent self-inflicted gunshot wound.

Then, on March 3, 1972, another Mohawk FH-227, this one on approach for landing at Albany, N.Y., crashed into a house 3.5 miles short of the runway. Seventeen people were killed.

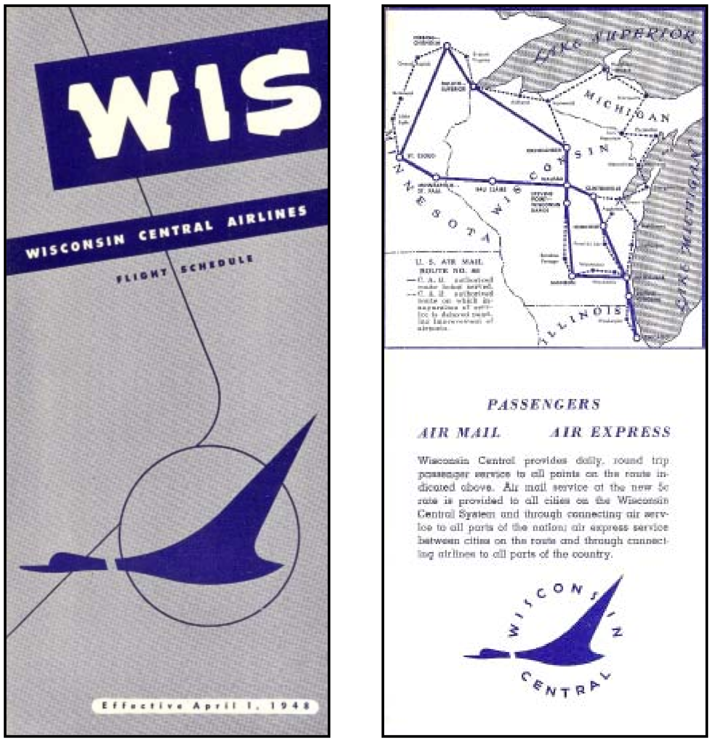
On April 12, 1972, Mohawk officially became part of the Allegheny Airlines system, an inglorious end to what had been, at one time, one of the most successful of the 13 permanently certificated local service carriers.

NORTH CENTRAL AIRLINES

Like Mohawk, North Central owes its birth to the needs of one small city and the desire for air transportation to connect it to the outside world. Clintonville, Wis., was home to the Four Wheel Drive (FWD) Auto Company. As early as 1939, FWD had purchased a Waco biplane to transport company executives to meetings outside of Clintonville. The primary destination for these excursions was Chicago and, as in Robinson's case, local businessmen from other firms in Clintonville began to request space on flights to the Windy City.

With the CAB's institution of its feeder airline policy in 1944, FWD decided to incorporate its flight service subsidiary and apply for a feeder airline certificate. Dubbed Wisconsin Central Airlines, the new company officially came into being on May 15, 1944, with Francis M. Higgins, advertising manager of FWD, as its president. The airline filed its application with the CAB and waited for the hearing and examination process to run its course.

While waiting for the Board to rule on its application for a federal certificate, Wisconsin Central decided to get experience



Wisconsin Central Airlines started in 1939 as a corporate need to move executives, eventually leading to the awarding of local carrier status in 1948 serving Wisconsin and eastern Minnesota as seen in this 1948 schedule. (From the author's collection)

Wisconsin Central upgraded to DC-3s in 1951 to handle the growing passenger load. (From the author's colleciton)

by operating a scheduled intra-state service, which only required authorization from the State of Wisconsin. Two Cessna T-50s (UC-78s) were acquired in the postwar marketplace and service was inaugurated on April 4, 1946, to six airports on a route stretching from Madison and Milwaukee to Superior. Of course, Clintonville was at the center of the 'system.' The operation lasted until November of that year when the undertaking, which had lost money, was shut down.

But good news came the following month when the CAB announced its awards in the North Central Case. Wisconsin Central Airlines was selected to operate over five routes serving 34 airports in a network stretching from Chicago on the southern end to Hibbing, Minn., and Hancock, Mich., in the north. The award was "subject to a further showing as to the adequacy of airport facilities and that Four Wheel Drive Auto Company has divested itself of control of Wisconsin Central Airlines." The Board was very thorough in its vetting of potential feeder certificate holders. Any suspicion that interlocking relationships might prevent the company from totally devoting itself to the public good, as opposed to serving private interests, was met with a mandate for dissolution of the association.

FWD divested itself of its investment in Wisconsin Central and Francis Higgins went searching for someone who knew something about running an airline to help him get the company off the ground. He found that person in 25-year-old Hal Carr, an analyst in route development working for TWA. Carr accepted the offer to become Wisconsin Central's Vice President-Traffic, and thus began the long career of a man who would be instrumental in the company's development and growth. He would also be the airline's savior several years later.

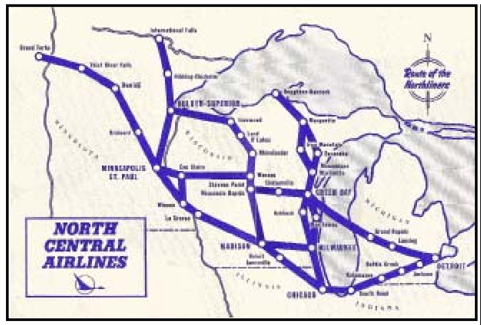
Initial financing was a problem for the start-up, as it was for most of the new feeders. With the help of a stock issue put together by a Milwaukee investment firm, the company accrued enough capital to purchase two used Lockheed 10-A Electras from Pioneer Air Lines, another feeder, which had upgraded to DC-3s. The twin-engine Lockheeds had accommodation for 10 passengers but Wisconsin Central had to remove the tenth seat to make room for radio equipment, thus reducing customer capacity to nine. A third 10-A Electra was acquired before the start of service.

Wisconsin Central inaugurated scheduled operations on February 24, 1948, by which time the company's headquarters had been established in Madison, Wisconsin. It took until December 1949 for service to be introduced over all of the initially-awarded segments and, by the end of 1950, the young airline's route map was set for awhile. Some stations had been eliminated (Racine/Kenosha and Baraboo/Portage, Wis.) due to poor airport conditions, and Beloit/Janesville, Wis., which was not part of the original award, was added to the system. Some of the originally certificated stations would never receive service from the airline due to a lack of proper facilities. 'Whiskey Central,' as it was affectionately called, had settled in to serving 22 airports in four states, including Land O' Lakes, Wis., the smallest city in the continental United States with certificated air service (1950 pop.: 548), which was served on a seasonal basis (summer) when tourist traffic to the area mushroomed.

Calling itself "The Route of the Northliners," the airline eventually assembled a fleet of six aging Lockheed 10-A Electras. But it was obvious that larger aircraft, namely Douglas DC-3s, would be needed to handle expanding passenger demand. In late 1950, six DC-3s were purchased from TWA. They entered service early in 1951, and by May of that year, the Electras were gone from Wisconsin Central's fleet. With the introduction of the DC-3s came a new member of the crew, a steward, to tend to the needs of passengers in a 21-seat cabin.

But the transition to bigger aircraft came with costs: for the planes themselves plus spare parts, for staff training, and for conversion of the aircraft to Wisconsin Central standards. The company's financial position began to deteriorate and Hal Carr advocated improving the company's service, spending money to make money. The majority of the board of directors was in

Renamed North Central Airlines in 1952, the airline continued to expand its DC-3 fleet, including N8854 seen here in 1965 at Omaha, Nebraska. (AAHS archives, AAHS-P006959)



The mid-1950s saw additional routes and the first female flight attendants. (From the author's collection)

disagreement with Carr's policies and Hal Carr resigned from the company in December 1951.

The CAB renewed the company's certificate for another five years and awarded more new stations and routes to the feeder carrier. Service over two new segments reaching westward from Minneapolis/St. Paul, to Fargo and Grand Forks, N.D., via intermediate stops, was inaugurated in 1952, as well as service to LaCrosse, Wis., and Winona, Minnesota. More DC-3s were purchased and leased and the financial situation deteriorated.

In the fall of 1952, several important events occurred in the airline's development. Despite the fact that the company was in the red, even more DC-3s were needed and a source was found in Purdue University, which, with its School of Aeronautics and Purdue Research Foundation, agreed to sell nine DC-3s to Wisconsin Central and take over the balance of an insurance company loan to the airline in exchange for a vice presidency within the company and a seat on the board of directors. Wisconsin Central agreed and Purdue University's Grove Webster became a Wisconsin Central vice president while the university's Dr. Robert Stewart joined the board.

Then, in the CAB's Michigan-Wisconsin Service Case, decided October 17, 1952, the airline was awarded a route to Grand Rapids, Lansing, and Detroit, Mich., from Hancock/Houghton and other points on the Upper Peninsula of Michigan, via Green Bay, Wisconsin. In the same decision, the CAB approved the company's requested name change, from Wisconsin Central to the more appropriate North Central Airlines.

In the midst of all of these developments, the airline moved its headquarters from Madison to Minneapolis.

Purdue's Dr. Stewart had also invaded the board room of another feeder carrier, Lake Central Airlines, which itself had struggled through financial mismanagement, and on January 1, 1953, he was appointed president of that airline. Purdue's next announcement was an offer for North Central to purchase Lake Central, merging the two together to form one large local service airline. North Central was to be the surviving carrier.

All of these grand plans, new headquarters, new routes, additional airplanes, and the new name could not prevent another disastrous financial year in 1953, the second in a row in which net loss topped $100,000. Francis Higgins had resigned, there was bickering in the boardroom and the reaction to the company's financial situation was to retrench and cut back on service, which is never the best solution.

Finally, the board of directors made an offer to Hal Carr, asking him to please come back and take over. He accepted and returned to North Central Airlines, as the youngest airline president in the country, on April 7, 1954. Then things began to turn around. Improved scheduling, emphasis on service and customer relations, cost reduction, the addition of five more seats to each DC-3 interior, and negotiations for a permanent air mail rate (subsidy) were just a few of the tactics undertaken to recover from the downward spiral.

1954 also saw the first female cabin attendants added to North Central's payroll.

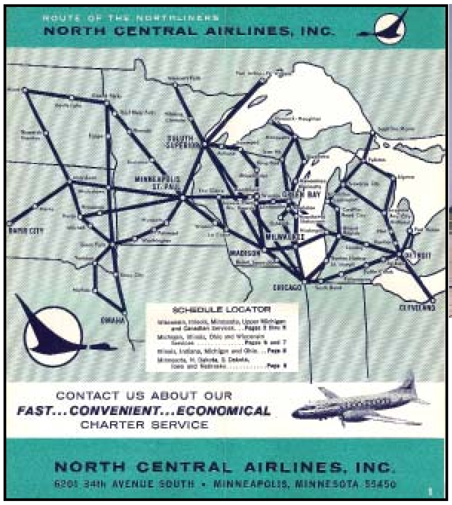
The gents from Purdue packed up and left, but North Central tenaciously held on to their legacy of an attempted acquisition of Lake Central for several more years. Despite defeats in the court room and a decision by the CAB that the merger would not be in the public interest, North Central continued to push for a merger with Lake Central. North Central was finally defeated in its bid for the other carrier in 1959.

In the meantime, The Route of the Northliners continued to grow methodically through the CAB's tightly-controlled process. 1955 saw the transfer of a route between Chicago and Detroit, via several important intermediate points, from American to North Central.

In 1957, the CAB transferred stations from Braniff to North Central on a route extending southward from Grand Forks, N.D., to Omaha, Nebraska. On December 1 of that year, DC-3 Northliners began operating nonstop over the 404-mile segment between Duluth/Superior and Chicago.

1958 brought the addition of Sault Ste. Marie, Mich., onto the North Central system, and 1959 saw the addition of 15 new stations to the Route of the Northliners as a result of the CAB's Seven States Area Case. By this time North Central was operating a fleet of 32 DC-3s, and was the leader among all 13 of the Locals in number of passengers, pounds of mail and pounds of cargo carried. Hal Carr's airline had come a long way since its death spiral in 1953.

In 1959, North Central entered the ranks of local service carriers operating equipment larger than DC-3s when five Convair 340s were acquired from United Air Lines. These 44-passenger, pressurized airliners were placed into service on



Throughout the 1960s, North Central continued to expand its route system in the north-central U.S., and grow its fleet with Convair 340s and 440s, then 580s and Douglas DC-9-50s. (Route Map from the author's collection, CV-580 from the AAHS archives, AAHS-P006960)

high-density and 'long haul' segments starting April 1.

The route system continued to grow in 1960, as service was established at 10 more airports in Michigan, at Cleveland, Ohio, and at Port Arthur/Fort William (Thunder Bay), Ontario, the company's first international destination.

North Central was a healthy, profitable carrier at, or near, the top in rank among the Locals in almost every category. In 1963, the airline was selected by the U.S. Agency for International Development (AID) to help rehabilitate Bolivia's national airline, Lloyd Aereo Boliviano (LAB). The project lasted two years, during which time North Central personnel from various departments lived in Bolivia offering technical and managerial assistance to the staff of the South American carrier.

Carr led his airline through the 1960s, the most dynamic decade for all of the Locals. By late 1961, all 13 of the local service carriers had added equipment larger than DC-3s to their fleets, and one, Bonanza, had already disposed of all of its *Gooney Birds* in favor of the larger ships (in Bonanza's case, F-27s). North Central continued to add Convair 340s and the advanced 440s to its fleet. The next step seemed a logical progression, but it would also prove to be the catalyst for transformation of the Locals into something other than what they were designed to be. In 1960s, all 13 of America's local service airlines signed contracts to buy or lease jets. North Central investigated the models that were scheduled to become available, finding favor with the DC-9 but not satisfied with its passenger capacity. When Douglas Aircraft announced the -30 stretched version of the aircraft, which would accommodate 100 customers, North Central signed on to purchase five of the pure jets, taking an option on five more.

The first of the DC-9-30s arrived in 1967, going into service on September 8. But before the turbojets arrived, the company had introduced turbine power in the form of Convair 580s, which went into service on April 1, 1967. The 580s were the company's own 340s and 440s upgraded with Allison turboprop engines.

The new jets brought North Central and the other Locals up to a new level of prestige and into a whole new world of economics. The planes and their parts were expensive. All of those seats had to be filled, and with passengers travelling a substantial distance - not just 60 miles, a typical hop for a local airline DC-3. The equipment transition continued as North Central operated its final DC-3 flight on February 7, 1969. And for the year 1969, North Central lost money for the first time since 1953, even after carrying over 3-million passengers during the 12-month period.

The late 1960s brought a few new stations to North Central's system. Kansas City, Denver and Toronto all joined the Route of the Northliners. The Locals were calling themselves Regionals now and no more small, marginally-productive cities were being added to their route maps. Now the focus was on longer hauls, flights that could generate more revenue.

New York (La Guardia) came on-line in 1970, as did Columbus, Dayton and Cincinnati, Ohio. Nonstop authority was granted in more markets, including Minneapolis/St. Paul – Chicago and Minneapolis/St. Paul – Omaha. The airline returned to profitability and stayed there.

As the prospect of airline deregulation loomed, North Central faced a tough decision about its future. The reality of deregulation would bring a free-for-all in the world of route expansion, and the strongest carriers with sensible growth strategies would be the survivors. One strategy for assuring strength and growth was to merge with another healthy carrier. Even before the Airline Deregulation Act was signed into law on October 24, 1978, North Central's upper management had been engaged in talks with the management of Southern Airways, another local-turned-regional, based in Atlanta and serving its traditional market in the Southeast. The two airlines agreed to merge and, on July 1, 1979, joined together to form Republic Airlines, a whole new carrier (technically, North Central was the surviving carrier) retaining North Central's famed logo, *Herman*, the blue goose.

The strategy proved successful as Republic became a national carrier, acquiring Hughes Airwest (itself formed from the merger of three local airlines) in 1980. Republic was purchased by Northwest Airlines in 1986, bringing an end to the story of the little airline formed in Clintonville, Wisconsin. ✈

The merger of North Central and Southern Airways in 1979 led to the creation of Republic Airlines, though North Central's famed logo Herman, *the blue goose was retained, as seen here on Republic DC-9-14 N8907E at Miami International in 1984. (AAHS archives, AAHS-P006961)*