AMERICA'S LOCAL SERVICE AIRLINES, Part IV: Ozark, Pacific & Piedmont

by DAVID H. STRINGER

Ozark DC-9. N870Z, in flight over the midwest. (Photo from R. Dean Denton via the author)

OZARK AIR LINES

Like several other local service carriers, Ozark got its first experience operating an intrastate service. However, it was five years from the time that the intrastate operation in Missouri was shut down until Ozark Air Lines once again became airborne.

Ozark was the brainchild of Laddie Hamilton, who had transportation in his blood. Born June 28, 1910, Laddie's given name was Homer Dale Hamilton. His father worked for the St. Louis – San Francisco Railway (The Frisco). After operating his own automobile garage in Springfield, Mo., Laddie went to work for Floyd W. Jones, first as a bus driver, then, in 1936, as manager of the southern portion of Jones's Mo-Ark Coaches (later Mo-Ark Trailways). Floyd Jones and Laddie Hamilton developed a business relationship that would serve them both well for many years to come.

With Jones's help, in 1937 Hamilton purchased the bankrupt Dixie Coaches, a bus line operating in Alabama and Mississippi. He resuscitated the company, turning it into a financially-healthy enterprise, then sold it for a profit to Southeastern Greyhound Lines in 1942.

Laddie Hamilton had earned his pilot's license in 1928, so it was no surprise that his next move would be into the field of aviation. He was training pilots during the war working for Oliver Parks's Alabama Institute of Aeronautics part-time while acting as regional manager for Southeastern Greyhound Lines in Tuscaloosa.

Ozark Air Lines Logo from the 1950s. (From the author's collection)

On a spring day in 1943, he met with his friend, Floyd Jones, and two other gentlemen, Barak T. Mattingly and Arthur Heyne, both attorneys, at Mattingly's office in the Title Guarantee Building on Chestnut Street in Downtown St. Louis. The purpose of their meeting was to discuss forming an intrastate airline that would operate between Springfield, St. Louis, Kansas City and Columbia, Missouri.

Articles of Incorporation were filed with the Missouri Secretary of State on August 26, 1943, and a charter was granted on September 1. Ozark Airlines was officially in business (note that "Airlines" was one word in the original incarnation of Ozark). Ozark was formed with the intent of starting one of the new "feeder" airlines that the Civil Aeronautics Board (CAB) was contemplating. The four founders felt that the CAB would look more favorably upon a company that had intrastate operating experience when it came time to issue the Certificate of Public Convenience and Necessity, required for interstate operation.

Ozark started getting its experience by offering charter services out of Springfield. Then, with three Beech Model

F-17D Staggerwing aircraft, Ozark's scheduled service was inaugurated on January 10, 1945. A triangle route pattern was flown with one aircraft leaving Springfield for Kansas City via Clinton, Mo., and one departing for St. Louis via Rolla. From those terminals the aircraft would then proceed to Columbia, Mo., and then repeat the pattern back to Springfield. Warrensburg, Mo., was substituted for Clinton in April 1945 due to poor airport conditions in Clinton.

Towards the end of summer 1945, Ozark replaced its fleet of Staggerwings with two Cessna UC-78s, converted to T-50s. These were 5-seat twin-engine aircraft. Columbia had been eliminated from the 'system' and Fort Leonard Wood was added as an intermediate point on the Springfield – St. Louis route. Although the service had gained in popularity, by November 1945 the company had yet to turn a profit and the owners decided to end the drain on their personal finances. The little airline was shut down. The intrastate version of Ozark had lasted just shy of 10 months.

Meanwhile, the Ozark executives had filed an application with the CAB for feeder authority. In the Mississippi Valley Case, decided in December 1947, Ozark applied for a route pattern in the shape of an 'X', with one line stretching from Kansas City to Montgomery, Ala., via nine intermediate points, the other running from St. Louis to Tulsa, Okla., with four stops along the way. The two routes would intersect at Springfield, Missouri. Also included in the application were three different routings from Kansas City to St. Louis via different sets of intermediate stations. Altogether, the requested network would have served 28 cities in six states.

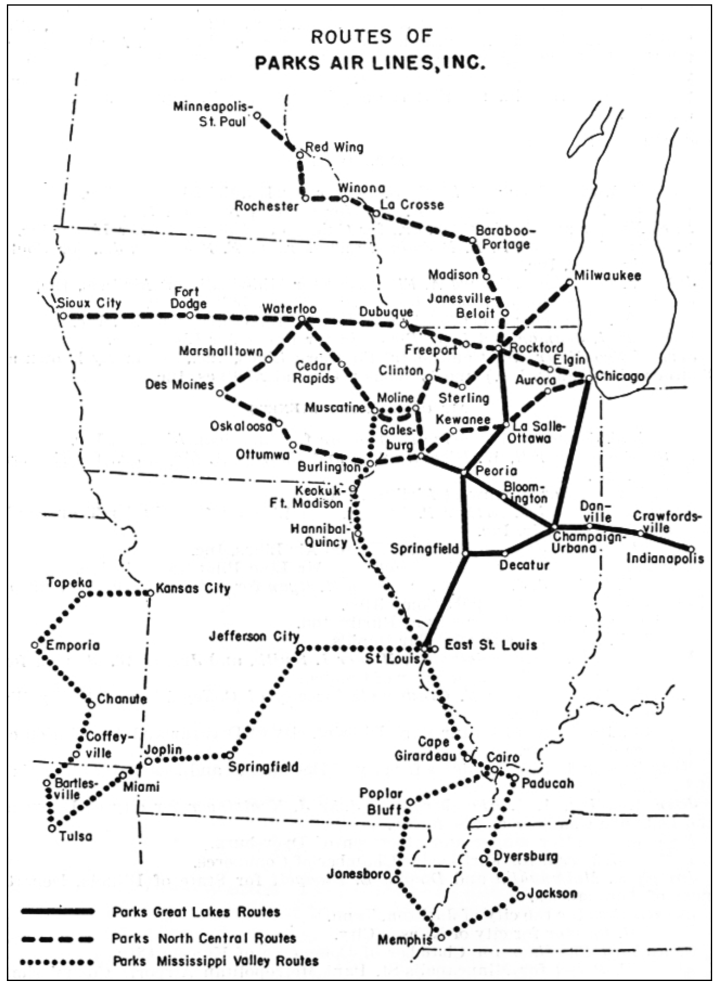
Unfortunately, the application was not approved. Instead, the Board selected Parks Air Transport as the carrier to be certificated for feeder routes reaching from St. Louis to Memphis and from St. Louis to Tulsa with an extension from Tulsa to Kansas City. Each route embraced several smaller intermediate cities, which was the purpose of the new feeder carriers. Parks Air Transport was another outfit owned by Oliver Parks.

Oliver L. Parks was a well-known man in aviation circles. He had formed his pilot training school in 1927 and, by the mid-1930s, he was operating a full-fledged aviation academy, Parks Air College, located at the Parks Metropolitan Airport, formerly the Curtiss-Parks Airport, in East St. Louis.

When the U.S. military required thousands of pilots during WWII, Parks trained flyers in several different locations. In addition to his "College" in E. St. Louis, he operated four other schools: the Alabama Institute of Aeronautics, the Mississippi, the Missouri, and the Cape Institutes of Aeronautics. After the war he merged his assets into Parks Aircraft Sales and Service, Inc., which operated fixed-base services in various locations. By the time the CAB was holding hearings on new feeder routes after the war, Oliver Parks was a respected name that everyone in the realm of aviation recognized. He was just the type of experienced person that the CAB was looking for to bid on the new feeder routes being proposed.

It was no surprise then, in December 1946, when Parks Air Transport won five of the feeder routes awarded in the CAB's North Central Case.

The CAB's confidence in Mr. Parks' ability did not stop there. The Great Lakes Area Case was decided on September 3, 1947, with the Board noting that "Mr. Oliver L. Parks has a wide background of experience in the field of aviation," Parks Air Transport was officially selected to operate three feeder routes in that proceeding.

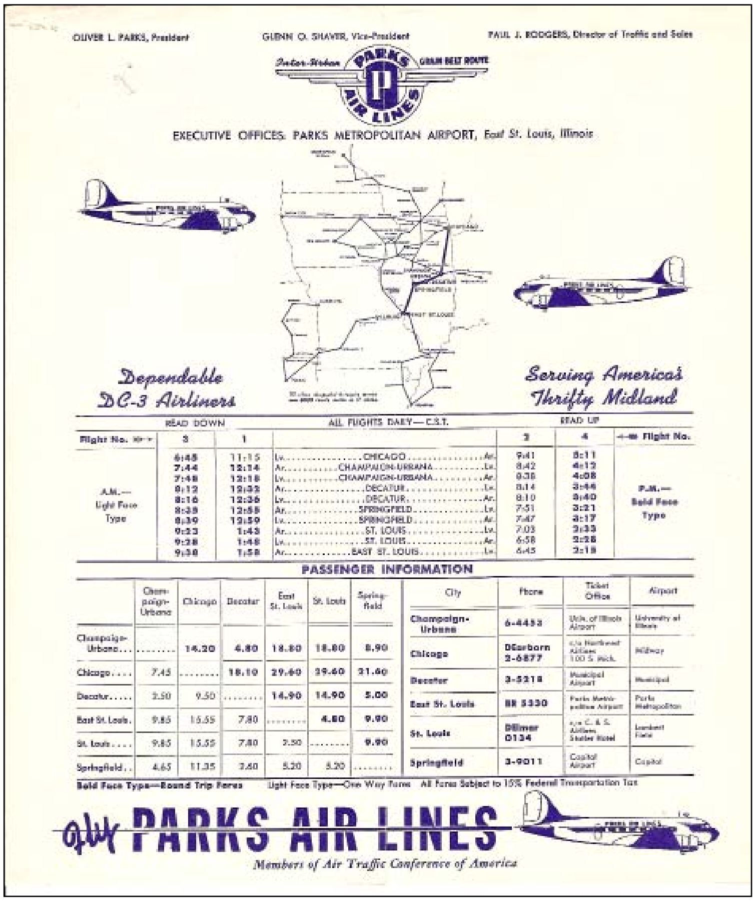


Parks Air Lines Route Map. (From the author's collection)

Finally came the Mississippi Valley Case in which Parks beat out Ozark and other applicants. Parks was selected over Ozark Air Lines (now separating "Air Lines" into two words) as the feeder air carrier certificated for this region partly because of Parks' "long and varied experience in aviation."

In a final gesture, as an adjunct to the Great Lakes Area Case, on February 4, 1948, the CAB announced that all of Parks' awards would be placed under one certificate and two of the previously-awarded routes were connected permitting through-service between St. Louis and Chicago. The Board found Parks "fit, willing and able." The selection of Parks in three different cases, to serve such a large area, "will demonstrate the effectiveness of increased size of local operations in meeting the problems of operating costs, equipment, equipment utilization and financing." The Board would come to regret their decision.

For a year the Parks system remained dormant. While feeder airlines in other parts of the country were starting operations under their newly-issued certificates, no service was inaugurated by Parks. This was particularly disturbing because Parks had been awarded such a large network and one of the requirements of the awards was that service must begin within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EXECUTIVE OFFICES: PARKS METROPOLITAN AIRPORT, East St. Louis, Illinois

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READ DOWN			ALL FLIGHTS DAILY—C.S.T.	READ UP		
Flight No.	3	1		2	4	Flight No.
A.M.— Light Face Type	6:45	11:15	Lv. ... CHICAGO ... Ar.	9:41	5:11	P.M.— Bold Face Type
	7:44	12:14	Ar. ... CHAMPAIGN-URBANA ... Lv.	8:42	4:12	
	7:48	12:18	Lv. ... CHAMPAIGN-URBANA ... Ar.	8:38	4:08	
	8:12	12:32	Ar. ... DECATUR ... Lv.	8:14	3:44	
	8:16	12:36	Lv. ... DECATUR ... Ar.	8:10	3:40	
	8:38	12:55	Ar. ... SPRINGFIELD ... Lv.	7:51	3:21	
	8:39	12:59	Lv. ... SPRINGFIELD ... Ar.	7:47	3:17	
	9:23	1:43	Ar. ... ST. LOUIS ... Lv.	7:03	2:33	
	9:28	1:48	Lv. ... ST. LOUIS ... Ar.	6:58	2:28	
	9:38	1:58	Ar. ... EAST ST. LOUIS ... Lv.	6:45	2:18	

PASSENGER INFORMATION

	Champaign-Urbana	Chicago	Decatur	East St. Louis	St. Louis	Springfield
Champaign-Urbana	....	14.20	4.80	18.80	18.80	8.90
Chicago	7.45	....	18.10	29.60	29.60	21.60
Decatur	2.50	9.50	....	14.90	14.90	5.00
East St. Louis	9.85	15.55	7.80	....	4.80	9.90
St. Louis	9.85	15.55	7.80	2.50	....	9.90
Springfield	4.65	11.35	2.60	5.20	5.20	....

City	Phone	Ticket Office	Airport
Champaign-Urbana	6-4453	Univ. of Illinois Airport	University of Illinois
Chicago	DEarborn 2-6877	c/o Northwest Airlines 100 S. Mich.	Midway
Decatur	3-5218	Municipal Airport	Municipal
East St. Louis	BR 5330	Parks Metropolitan Airport	Parks Metropolitan
St. Louis	DElmar 0134	c/o C. & S. Airlines Statler Hotel	Lambert Field
Springfield	3-9011	Capitol Airport	Capitol

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Parks Air Lines timetable. (From the author's collection)

90 days of the certificate's issuance. The cities and towns that had lobbied for this new air service were expecting it. When Parks Air Transport, now calling itself Parks Air Lines, had not inaugurated service over any of its routes by March 1949, the CAB decreed that the company would have a 102-day period in which to get its act together. The Board stated that service over the certificated routes should be inaugurated by July 1, 1949.

Oliver Parks and his executive team had faced problems raising the capital required to start operations. More specifically, it appears that they had been unwilling to risk much of their own money on this new feeder operation. When Mr. Parks applied to the Reconstruction Finance Corporation (RFC) for a loan to help get his airline off the ground, he was refused because of a lack of sufficient equity capital. With the latest edict from the CAB, Parks and his associates quickly came up with a new plan. They approached the Board of Mid-Continent Airlines, a certificated trunk carrier whose route system, which stretched from Minot, N.D., to New Orleans, La., looked more like a local airline. Mid-Continent was a financially healthy, conservative company that still operated an all-DC-3 fleet. The plan was for Mid-Continent to acquire Parks by exchanging 13,496 shares of Mid-Continent stock for 32,392 shares, the total outstanding Parks stock. This would, of course, put money into the pockets of Mr. Parks and his cohorts. Mid-Continent would operate Parks Air Lines as a wholly-owned subsidiary. The Mid-Continent Board of Directors authorized this agreement at their annual meeting on May 5, 1949. Of course, the plan required the approval of the CAB and a public hearing before the Board in Washington, D.C., was set for September 28, 1949.

After examining the text of the hearings that ensued, it does not appear to be an exaggeration to say that the CAB was livid! The Parks Investigation Case, which presented the prospect of revocation of Parks' certificate by the CAB, was initiated. The Parks team contended at the hearing that circumstances beyond its control prevented it from obtaining the necessary financing for inaugurating service as an independent company prior to the expiration of the designated period, that its acquisition by Mid-Continent should be approved and, if not, that it should be permitted to retain its certificate and conduct operations as an independent company with small, single-engine aircraft. The CAB was not satisfied with Oliver Parks and his associates. The Board stated: "We feel that the record warrants a conclusion that Mr. Parks and his associates could long ago have taken steps that would have resulted in the start of service over a substantial part, or perhaps over all, of the routes if they had been willing to risk their own capital in the manner that the Board had a right to expect in the light of the presentation made on behalf of Parks at the original hearings." When the awards were first made, Oliver Parks had stated that he, his directors, and the companies he controlled would provide approximately $650,000 of equity capital. Only $81,000 had been contributed by 1950.

In denying the request to have Mid-Continent "acquire" Parks Air Lines, the Board stated that approval of the acquisition would not only condone the unreasonable delay in inaugurating service but would also permit Oliver Parks and his associates to profit from their inaction.

Then, during the hearings on May 17, 1950, Mr. Parks announced that he had found "new capital" and could activate the routes with twin-engine aircraft. The sudden change of fortune had come from the 'merger' of a struggling non-scheduled carrier, Twentieth Century Airlines of Charlotte, N.C., into the Parks organization. With Twentieth Century came DC-3s and two founders of that airline now willing to throw their lot in with Oliver Parks: The Rev. Chris A. Bachman, an ordained minister and president of Twentieth Century, and Glenn O. Shaver, the company's general manager and a pilot. But the CAB told Oliver Parks that it was too late. "There must come a time when administrative proceedings of this nature are brought to a close." The Board was ready to give all of the Parks routes to some other applicant.

First consideration was to be given to feeder airlines or, rather, "carriers that did not operate trunk line or regional services." The companies that wanted Parks' routes were: Central Airlines, Keith Kale's new feeder operation based in Fort Worth; Turner Airlines, the company associated with famed flyer, Roscoe Turner, which would soon change its name to Lake Central Airlines; Continental Southern Lines, owned by the Trailways Bus Co. of Dallas; Wisconsin Central Airlines, which would eventually change its name to North Central Airlines, and the company that had run an intrastate operation five years earlier, Ozark Air Lines.

But Oliver L. Parks would not go down without a fight. On June 21, 1950, Parks Air Lines inaugurated service over the St. Louis to Chicago route with intermediate stops in Springfield, Decatur and Champaign/Urbana, Illinois. Parks stated that he

Timetables from (left to right) 1951, 1951 route map, 1952 and 1953 illustrating the early evolution of the air line. (From the author's collection)

intended to commence service over the other routes, activating his entire system, by November 6, 1950. He said that he now had the organization and the financing to accomplish this. But the Board would have none of it. On July 28, 1950, the decision was announced: Parks Air Lines' certificate had been nullified by the CAB.

Arthur G. Heyne, the attorney who had been part of Ozark's team of founding executives, received a telephone call in late July 1950 from his friend, Clyde Brayton, of Brayton Flying Service. Brayton was also an instructor at Parks Air College. Retelling the story, printed in the Aug.-Sept. 1965 issue of the *Ozark Air Lines News* on the occasion of the company's 15th anniversary, Mr. Heyne recalled that Brayton told him

> *"Congratulations!"*
> *"For what?"* Heyne replied.
> *"I see you just got a certificate from the CAB!"*
> *"Aw, you're pullin' my leg. It's been seven years. Are you sure it's us?"* Heyne asked.

On August 1, 1950, the official telegram arrived. Ozark Air Lines had, indeed, been awarded all of Parks' routes from the Great Lakes and the Mississippi Valley cases. The only other beneficiary was Mid-Continent Airlines, which was given routes into Chicago and Milwaukee originally awarded to Parks in the North Central Case.

Ozark was selected over the other applicants for several reasons. It was most familiar with the area to be served. Ozark would be headquartered in St. Louis, as was Parks, from where the system would radiate, and Ozark's financial plan was sound although the examiner did express some doubt that the company had the finances to start both the Great Lakes and the Mississippi Valley routes.

A meeting was held at Floyd W. Jones' estate, called Riverdale, near Springfield, Missouri. The Korean War had just started and the United States government put a freeze on available aircraft. "All those WWII surplus DC-3s and C-47s vanished," according to Heyne. Something had to be done to get a very big feeder airline up and operating quickly.

Oliver Parks was invited to Riverdale and Glenn O. Shaver flew him there in a Parks Air Lines DC-3. Parks had filed lawsuits in conjunction with the CAB's actions. Ozark wanted what Parks could offer: DC-3s, pilots and other personnel. It took some convincing but a deal was struck to exchange Ozark Air Lines stock for Parks Air Lines stock, which required having the lawsuits dismissed. That involved a trip to Washington where the Parks fight was laid to rest. According to Arthur Heyne, "Ozark, in essence, merged Parks Air Lines into its organization – the only solution since each badly needed one another."

Ozark became the last, and thus, the youngest, of the air carriers that would develop into the 13 permanently certificated local service airlines of the 1950s. The certificate for operation of Ozark's new route system became effective on September 26, 1950. On the evening of September 25, the Ozark group gathered at the Statler Hotel in Downtown St. Louis and waited for the strike of midnight. At 12:01a.m., the founders of Ozark signed the paperwork officially accepting the certificate and the airline was in business. At 6:58 that morning, Ozark's first flight took off from St. Louis' Lambert Field bound for Springfield, Champaign/Urbana and Chicago... with one passenger on board. That would be the first in a history of flights that lasted for 36 years.

Ozark's initial fleet consisted of four Douglas DC-3s inherited from Parks Air Lines. The story goes that the "P" and the "S" were removed from the Parks name on the planes and an "OZ" was added ahead of the "ARK." The initial fleet was a mismatched lot of Gooney Birds and it would not be until 1951 that all of Ozark's DC-3s were standardized with the same equipment and interiors.

Ozark DC-3 undergoing maintenance in Peoria, Ill., in 1958. (From the author's collection)

Ozark DC-3, N144D, is caught boarding in a winter scene while in the 1950s livery. (From the author's collection)

With all of Parks', and thus, Ozark's maintenance facilities located at Parks Metropolitan Airport in E. St. Louis, Ozark's flights were scheduled to originate in E. St. Louis and then fly across the river to Lambert Field. From there, the aircraft would continue on their scheduled routing. E. St. Louis was dropped from the schedules in January 1951, but the routine of ferrying airplanes back and forth across the river continued until the company had their own facilities at Lambert Field.

By August 8, 1951, less than one year from the date of its first flight, Ozark had inaugurated service to 29 stations covering all of the routes awarded to the company as a result of the Parks Investigation Case. Of course, this could not have been accomplished without the manpower, the expertise and the equipment provided by the Parks team. Many former Parks Air Lines' employees went on to enjoy long careers with Ozark.

Laddie Hamilton's dream was now a firmly established reality. In June 1951, St. Louis became the first Ozark station to board over 1,000 passengers in a single month and for the first calendar year of operation, January – December 1951, 49,507 passengers flew Ozark.

The airline grew steadily, adding new stations and deleting unproductive points as allowed by the CAB. Ozark worked with the cities it served to establish navigation aids and equipment for instrument flying and night operations. This project, completed by September 1953, allowed Ozark to operate into every airport on its system by instruments, both day and night.

In 1954, Ozark's original three-year temporary Certificate of Public Convenience and Necessity was renewed for another five years. With the renewal came a tweaking of the airline's route system by the CAB. Service to Memphis was discontinued and Nashville was authorized as the terminal point beyond Paducah. The route map was also redrawn west of St. Louis.

Ozark's redefined route system promised more revenue for the company but the real prize came the following year. On May 19, 1955, President Dwight D. Eisenhower signed the bill that gave permanent certification to Ozark and the nation's 12 other local service airlines, as the feeders were now called. This acknowledgement of a permanent place in the U.S. airline system made investors much more confident about betting their money on Ozark stock.

In 1955, the piece of the Parks Air Lines network that been awarded to Mid-Continent, the route from Sioux City to Chicago, was transferred to Ozark from Braniff, which had acquired Mid-Continent. Ozark ended 1955 with 535 employees and 16 DC-3s.

In order to keep its aging fleet as competitive as possible, Ozark undertook a modification program for its DC-3s. Dubbed the 'Challenger 250' project, the goal was to upgrade the fleet to higher performance standards by installing wheel-well doors, flush-type antennas, short exhaust stacks, wing fillets and aerodynamic oil coolers, turning Ozark's DC-3s into the most efficient in the industry. The program was completed by September 1957 when all aircraft had been standardized with the new equipment and each was configured with 27 passenger seats.

In December 1958, Ozark placed its initial order for three brand new Fairchild F-27s, which carried 40 passengers, a load similar to the capacity of the second-hand Martin and Convair products being purchased by other Locals. The F-27 employed modern turbine-propeller power, referred to as 'jet prop,' with two engines set into a wing above the fuselage that gave every passenger an unobstructed view of the world below.

Ozark placed their initial order for Fairchild F-27s, such as N4301F, in December 1958, but they would not enter service until January 1960. (From the R. Dean Denton collection via the author)

Timetables from (left to right) 1954, 1955, 1957, 1958 and late 1958 show continued steady growth and the promotion of the new F-27 prop-jet arriving in 1959. (From the author's collection)

New aircraft would not be arriving a minute too soon. In 1957, Ozark began service over another route, this one to the Twin Cities of Minneapolis/St. Paul via Cedar Rapids, Iowa, and Rochester, Minnesota. Then, in 1958, the CAB concluded its Seven States Investigation Case awarding Ozark more new mileage and eight new cities to be served. In the summer of 1958, Ozark bought four additional DC-3s from Northwest Airlines, upgrading them to Challenger 250 standards and bringing the fleet total to 24. In September 1958, it was announced that Ozark ranked first among all 13 local service carriers in load factor for the preceding 12 months.

Laddie Hamilton's health began to decline and in June 1959 he was granted an extended leave of absence from his positions as president and chairman of the board. On August 6, 1959, his old friend, Floyd W. Jones, was selected to fill out his term as board chair and Laddie eventually resigned from both positions.

Joseph H. FitzGerald had been hired by Hamilton in 1958. FitzGerald had previously been with both the CAB and the FAA (then called the CAA, Civil Aeronautics Administration). On October 16, 1959, he was installed as president of the company.

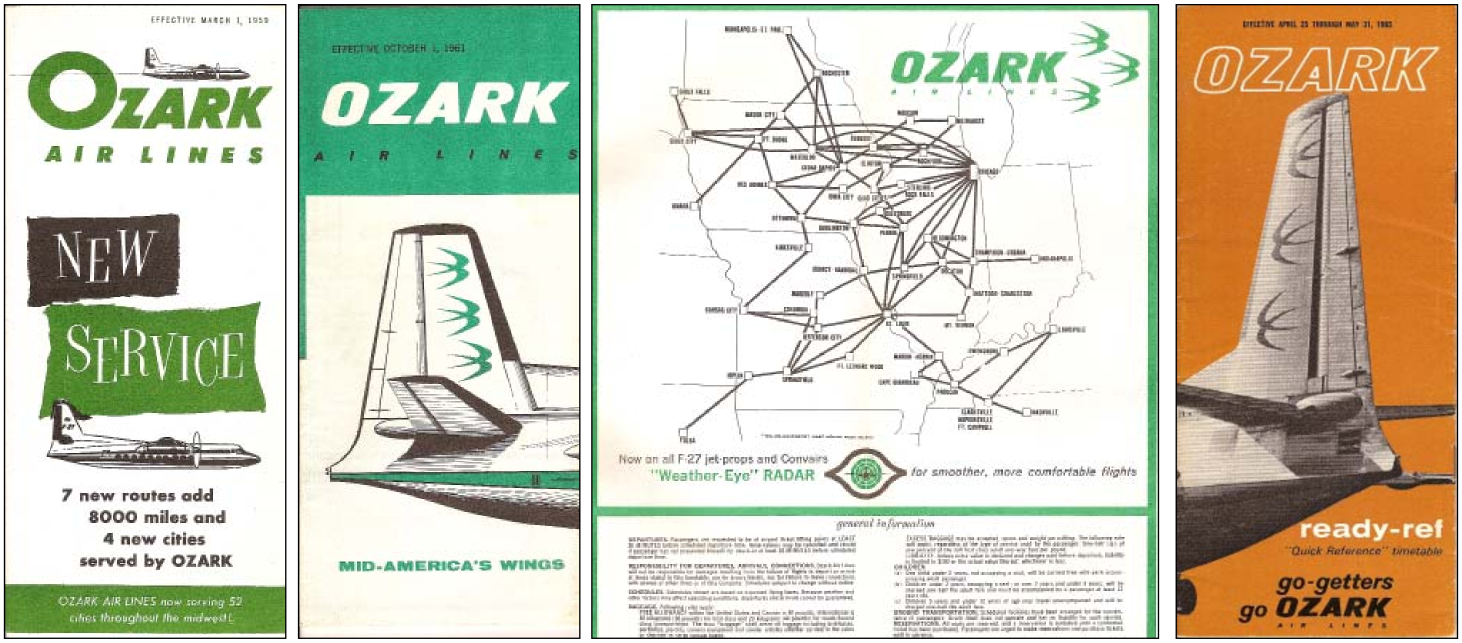
F-27 service was set to begin on September 27, 1959, but there was a setback. The company's contract with its ALPA-represented pilots did not cover specific conditions related to flying the F-27. Negotiations addressing these issues had to be concluded before the aircraft entered scheduled service. In the meantime, Ozark's new airplanes spent their time touring the system and being used for promotional flights. Contract issues were settled with the pilots and the F-27s made their debut operating scheduled flights on January 4, 1960.

With the introduction of the F-27s, Ozark adopted a new logo: "Three sets of two overlapping elliptical curves arranged to suggest the graceful swept-back wings and deeply forked tail of the swallow." The three swallows symbol became so associated with Ozark Air Lines that its use was continued until the end of Ozark's existence.

After two years of CAB hearings, American Airlines terminated service at Peoria and at Springfield, Ill., on August 13, 1962. American's service at Joplin and Springfield, Mo., would end the following year. Ozark would now be the sole carrier at all four points. To accommodate the expanded schedule at these stations and to replicate American's level of service, FitzGerald's team purchased four 40-passenger Convair 240s, the same type of equipment that American had used on its service to these cities. Ozark increased its schedule and pretty soon the "little" airline with the green airplanes was carrying more traffic out of all four stations than they had ever generated before.

Ozark maintained its slow and steady growth throughout the early 1960s while the search for more aircraft continued. The jet age was firmly in place and Ozark management knew that it would not be long before the Locals were expected to join the ranks of pure-jet operators. They looked at British Aircraft Corporation's BAC-111 twin-jet, designed for short-

Ozark added four Convair 240s to their fleet in 1962 to handle expanded service to Peoria and Springfield, Ill. (From the R. Dean Denton collection via the author)



The March 1959 timetable announced seven new routes and continued to promote the F-27s that would enter service less than a year later. By 1961, the F-27s were firmly entrenched and the June 1964 route map shows operations throughout the Mid-West. 1964 saw the introduction of the marketing program "Go-Getters Go Ozark," as reflected in this April 1965 time table. (From the author's collection)

to-medium haul routes. While studying their jet options for the future, the need was growing for even more immediate capacity. By 1964, 12 Ozark stations were each boarding more than 20,000 passengers per year with Chicago at the top of the list enplaning almost a quarter of a million. The company introduced the slogan, "Go-Getters Go Ozark!"

Joseph H. FitzGerald resigned as Ozark's president at the end of July 1963 and Thomas L. Grace was recruited from Northeast Airlines to fill the vacancy. Grace was an airline man, having served as president of Slick Airways, an all-cargo line, before his tenure as vice president of operations at Northeast. He dove headlong into the issues facing Ozark, primarily aircraft acquisition, and he worked out a lease/trade agreement with Mohawk Airlines to take that company's 14 Martin 404s, another postwar twin-engine airliner handed down from the trunk carriers, in exchange for Ozark's Convair 240s, a type that Mohawk had been flying since 1955. The aircraft swap began with the first Martins going into service on Ozark's system on December 1, 1964.

But the big news came the following month, in January 1965, at the dedication of Ozark's new general office building and maintenance facility at Lambert Field, which was built by the City of St. Louis. At that ceremony, Thomas L. Grace announced that Ozark would be entering the ranks of pure-jet operators in early 1966 with the arrival of three Douglas DC-9-15s. Grace's plans did not stop there. The Martins were intended to replace the DC-3s and Tom Grace ordered another new aircraft type to replace the Martins and the F-27s. The Fairchild-Hiller FH-227B was an enlarged and modernized version of the F-27. The new airplane would carry 48 passengers in the layout chosen by Ozark. It had a stronger Rolls-Royce turbine engine than the F-27 and it carried its own

Ozark worked a swap with Mohawk airlines in which they traded their Convair 240s for Martin 404s. N468M was seen at Chicago O'Hare in October 1965. (Photo from the Hufford collection of the AAHS archives, AAHS-36407)

Ozark entered the pure-jet era in 1966 with the addition of three Douglas DC-9-15s, like N970Z, c/n 45772, captured here at Chicago O'Hare in April 1967. (Photo from the Hufford collection of the AAHS archives, AAHS-36379)

Qzark began promoting their DC-9 addtions in the July 1966 timetables. In 1967 they introduced their "Hostess Campaign," which was followed in 1968 with the "Go-Getter Bird" promotion. (From the author's collection)

Auxiliary Power Unit (APU) reducing the need for ground power units. The company placed an order for 21 FH-227Bs, scheduled to start coming on-line shortly after the first DC-9s arrived. Grace's goal was to turn Ozark into an all turbine-powered carrier by the end of 1967.

The first scheduled DC-9 service took to the skies on July 15, 1966, from St. Louis to Chicago via Peoria. On board that inaugural jet flight was Arthur B. Skinner of Kirkwood, Missouri. Mr. Skinner had been aboard Ozark's very first flight in September 1950 when a DC-3 taxied away from the gate in St. Louis with just one passenger on board... himself!

The first scheduled FH-227B service took place on December 15, 1966, postponed from December 1 due to a system certification delay. With the FH-227Bs entering service, Ozark would spend the next several months operating five different aircraft types: DC-3, Martin 404, F-27, FH-227B and DC-9.

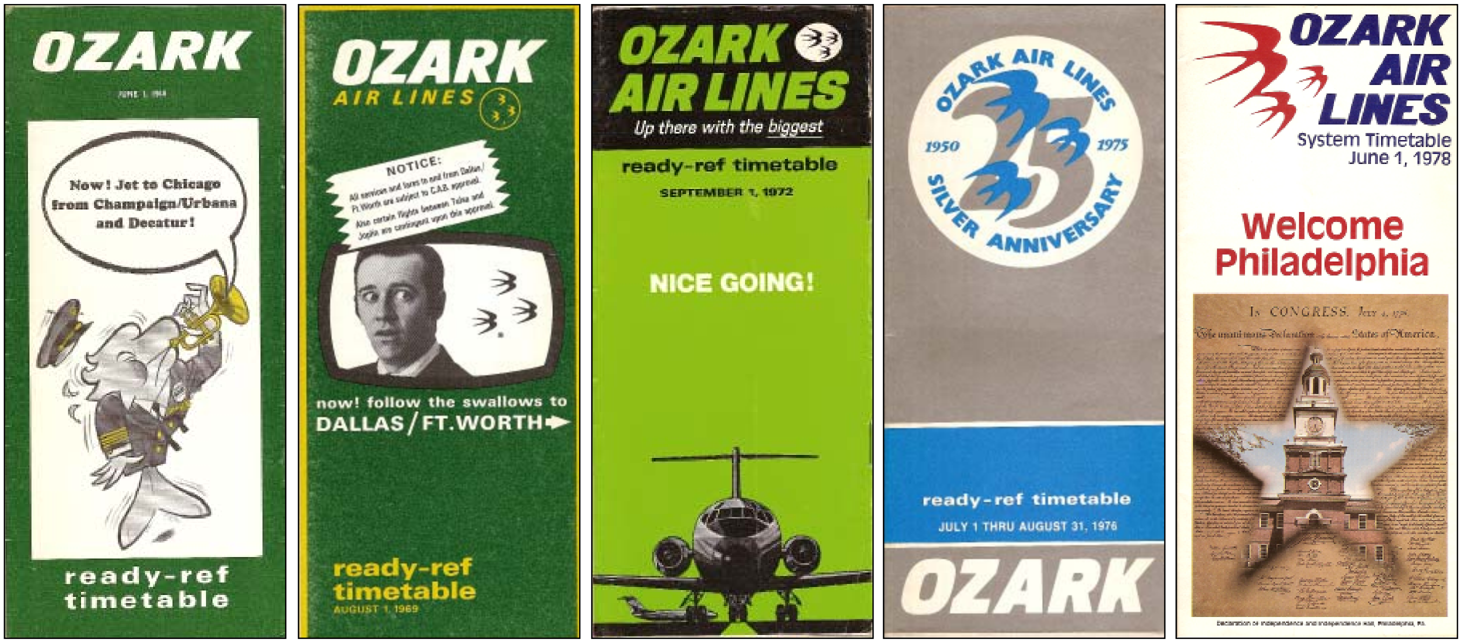
A merger between Ozark and neighboring local service carrier, Central Airlines, had been speculated upon for years. On September 20, 1966, Floyd W. Jones, chairman of the board of Ozark, and Jack Bradley, chairman of the board of Central, announced that the two companies would merge, with Ozark to be the surviving carrier. Less than two months later the merger was called off. Tom Grace stated that "the money market... has been tight and we found it untimely to complete the merger."

Ozark did not need a merger to expand. Just three days after disclosing that it planned to merge with Central, Ozark announced a new route to Denver, awarded by the CAB. The flight to the Colorado capital nonstop from Sioux City would give Ozark a relatively long segment to use its DC-9s on.

The airline of the three swallows embarked on three memorable advertising campaigns in succession in the late 1960s. In 1967, the company introduced the "Hostess Campaign," which featured St. Louis model, Pat Christman, wearing an Ozark flight attendant uniform. Photos of her in different poses were presented along with two-line copy. "Have a sudden meeting in Chicago? We'll rise to the occasion," and "I can't bear to think of you driving all the way to Kansas City. No one to spoil you," are two examples of the ads from the award-winning series. The Hostess Campaign was followed in 1968 by "Go-Getter Bird": a cartoon bird dressed in an Ozark pilot's uniform, became the company 'spokesman.' Finally, in 1969, the airline introduced a campaign entitled "Letting George Do It." Ads featured a young comedian's face inside a somewhat rectangular "O," with advertising copy underneath. The young comedian was George Carlin, who had yet to achieve his great success.

Ozark retired its last Martin 404 from service on August 14, 1967, and with the October 29, 1967, timetable the last F-27 was also removed from scheduled service. Three DC-3s continued to soldier on in the fleet as long as there were airports on Ozark's system that could not accommodate larger aircraft. But a year later, on October 27, 1968, Ozark finally met Tom Grace's goal of becoming an all-turbine powered airline. The last DC-3 flight was made the previous day into the only remaining station that could not handle larger aircraft – Columbia Municipal Airport in Missouri. On October 27, Ozark flights began serving the new Columbia Regional Airport, with its 6,500 foot runway, located midway between Columbia and Jefferson City. FH-227B flights into the new airport replaced DC-3 service at the two individual city airports. Moberly and Kirksville, Mo., the two other stations served by the DC-3 flights, also received jet-prop service from October 27.

The difference between trunk carrier and local carrier blurred when the CAB began awarding nonstop authority between big-city pairs within the local's own network. Permission for Ozark to fly nonstop between Louisville and Indianapolis, then nonstop between St. Louis and Milwaukee was followed by an award that really put Ozark's status into a new perspective. On November 15, 1968, Ozark introduced



The 1968 "Go-Getter Bird" campaign was followed in 1969 by the promotional message "Letting George Do It" featuring young commedian George Carlin. By 1972, Ozark was marketing themselves as "Up there with the Biggest", while in 1975 they celebrated their 25th year of operation. 1978 saw expansion to Philadelphia, followed by the onset of deregulation in October of that year. (From the author's collection)

nonstop DC-9 service between its two biggest stations, Chicago and St. Louis. This put Ozark in direct competition with American Airlines and with Delta. You could now board a jet offering both first class and coach accommodations nonstop between these cities on either a trunk carrier or a local carrier; there was no difference. Ozark had begun outfitting its DC-9s with a two-class configuration a few months before (the first class cabins would be removed in 1972).

Floyd W. Jones, the bus line owner who financed Laddie Hamilton's plans for an airline, died on February 3, 1969, in Springfield, Missouri. Jones, 79 years of age, was still serving as the chairman of Ozark's Board of Directors when he died. Hamilton, who had retired 10 years before due to failing health, outlived Jones by two years.

On April 27, 1969, service was introduced to Washington, D.C. (Dulles), and New York (LaGuardia) from Peoria and from Champaign/Urbana, Illinois. The award also allowed flights from Waterloo, Iowa, and Springfield, Ill., to the East Coast. The 956-mile Waterloo – New York authority was the longest segment awarded to a local service carrier up until that time.

One more new market, Dallas/Fort Worth, served through Love Field, was added to Ozark's system in 1969, and service was permitted nonstop from St. Louis to the Texas airport.

In 1971, with a modern fleet of DC-9s and FH-227Bs the airline introduced its new slogan, "Up there with the biggest!"

Thomas L. Grace, Ozark's president and chairman of the board, who had led the company into the jet age, passed away in July 1971. Edward J. Crane, executive vice president and treasurer of the airline and a company employee since 1951, took Grace's place as president of Ozark.

Ozark's system remained fairly stable during the early 1970s. On August 1, 1970, the airline inaugurated seasonal service to Lake of the Ozarks, Missouri. It would be the last of the typical, small Midwestern airports that Ozark would add to its network. As the decade progressed, the company sought permission to eliminate more and more of its smaller stations, which were the original reason for its existence. In 1974, when Ozark filed to terminate service at Clinton, Iowa, and Owensboro, Ky., the company complained that the stations were producing only 3.9 and 5.2 passengers *per departure*, respectively. Those would have been considered exemplary boarding figures in the 1950s!

Innovations such as the internationally-themed Flair meal service and wine tasting flights brought attention to Ozark's cabin service.

In 1973, a strike by the company's mechanics, represented by the Air Line Mechanics Fraternal Association (AMFA), shut the airline down for 73 days. It would not be the last time that Ozark was grounded by a labor dispute. Shortly after the strike was settled, Ozark suffered its only accident that resulted in loss of life to passengers. On July 23, flight 809, an FH-227B operating between Nashville and St. Louis via Clarksville, Paducah, Cape Girardeau and Marion/Herrin, crashed while on final approach to St. Louis in a thunderstorm. Of the 44 aboard, 37 passengers and the flight attendant perished.

The company boarded its 30 millionth passenger on May 19, 1975. Then, just two and one-half years later, on December 16, 1977, the 40 millionth customer was welcomed aboard.

Ozark's management was vehemently opposed to the concept of deregulation. An editorial in the *Go-Getter News* warned that if deregulation became a reality, airlines would fly wherever they wanted and go after the larger markets while neglecting the smaller ones. The opinion piece forewarned that smaller and less-profitable markets would be abandoned, jobs would be lost and airlines would go under. As it turned out, some of those predictions would prove accurate.

The push to deregulate the nation's airlines became even stronger on Capitol Hill after a pro-deregulation economist

Florida routes were added in 1979 starting with Miami and Ft. Lauderdale. 1981 and the PATCO strike forced the airline to operate an abbreviated schedule, but by 1982 the airline had 102 daily departures from St. Louis operating an all DC-9 fleet. 1985 was the beginning of the end, with low-cost Southwest Airlines competing in much of Ozarks market and corporate raider Carl Icahn gaining control of TWA, and subsequently acquiring Ozark. (From the author's collection)

from Cornell University, Alfred Kahn, was appointed to head the CAB by President Jimmy Carter. Airline deregulation in the United States became a reality when President Carter signed the final bill into law on October 24, 1978.

Ozark's expansion after passage of the Airline Deregulation Act started out in an orderly fashion. Atlanta was added to the route map on December 1, 1978. The company also jumped into the Florida market, a natural destination for Midwest vacationers. Houston (Hobby) was welcomed to the system on April 1, 1979, followed by Little Rock and New Orleans. Following the new liberalities offered by deregulation, service to Little Rock was quickly dropped after enplanements proved disappointing.

Unlike Braniff and other carriers, Ozark seemed to be meeting the challenges of the new environment by expanding in a conservative yet methodical and disciplined manner. Sadly, on the other side of the coin, smaller cities including Quincy, Bloomington, Mattoon/Charleston and Mt. Vernon, Ill.; Ft. Leonard Wood, Missouri; Ottumwa, Iowa; Clarksville, Tennessee and Paducah, Ky., all were abandoned by the three swallows. Local service airline was no longer a designation that appropriately described Ozark. The term Regional Airline had come into use as a more fitting characterization.

On Christmas Eve 1978, Arthur G. Heyne, the last of Ozark's four founding fathers, passed away in St. Louis. He was 80-years old and had witnessed Ozark's growth from that very first day on Chestnut Street in 1943. Now Ozark was heading in a new direction, forced, some would say, by circumstances beyond its control. Ozark operated its last FH-227B flight on October 25, 1980, leaving the company with a fleet of 30 DC-9-30s, two DC-9-30LRs and seven DC-9-10s. Only airports with runways long enough to support DC-9 operations would be receiving Ozark service in the future.

In 1979, the Association of Flight Attendants shut the airline down with a 53-day strike. Shortly after recovering from that work stoppage, Ozark's operations were again brought to a halt in 1980 with a 38-day strike by mechanics. While the flight attendants were on strike, in order to generate cash, the company sold two factory-fresh Boeing 727-200s, having never put them into service.

Ozark was no longer in business to feed passengers to other carriers. Now its goal was to feed passengers to itself through the St. Louis hub. The marketplace had become a contest where each airline tried to attract the same passenger. By the end of 1982, Ozark had 102 daily departures scheduled from St. Louis. The company also pulled out of markets that were once synonymous with Ozark: Chicago to Peoria and Chicago to Springfield, Illinois. It seemed that President Crane was making his prediction about deregulation from several years before come true: smaller and less-profitable markets were being abandoned.

If a company could not survive after choosing to follow the same hub-and-spoke, abandon-smaller-markets path as most of its competitors, then the inevitable outcome was merger or bankruptcy. Ozark also had the disadvantage of competing with another strong player at its own hometown hub: Trans World Airlines (TWA). To have two airlines centering domestic operations in a market the size of St. Louis was a recipe for trouble.

The realignment of Ozark's system was reflected in the introduction of the Executive Express, an hourly nonstop service between O'Hare and Lambert Field. Nonstop service from Chicago to all other cities was eliminated; the Windy City was now just a spoke from St. Louis.

On July 28, 1983, Ozark placed an order with McDonnell Douglas for four new MD-80s (previously referred to as DC-9

Super 80s), each equipped with 152 passenger seats. Sanford N. McDonnell, CEO of McDonnell Douglas, noted at the time that Ozark was the largest exclusive operator of DC-9s in the world.

In 1984, Ozark Holdings was formed, a company intended to be an umbrella for corporate expansion opportunities. Ozark Air Lines became a subsidiary of the holding company. Former baseball legend, Stan Musial, was elected to the board of directors.

Ozark inaugurated service to the state capitals of Lincoln, Neb., and Oklahoma City, Okla., on April 15, 1985. These would be the last two stations added to the Ozark route map.

When the new Southeast "D" Concourse at Lambert Field opened for business it gave Ozark a state-of-the-art airport complex for its hub operation. The concourse, along with Ozark's other facilities at Lambert, was dubbed AIRPLEX and the company now had 22 gates available for exchanging passengers among its flights. Ozark entered into an agreement with Air Midwest, a third level carrier, to provide feed from smaller stations to the company's St. Louis hub. Operating under the banner of Ozark Midwest, the operation, which started October 1, 1985, provided for Ozark the same type of feed that Ozark once provided for other carriers. In a striking example of changing times all service into Springfield, Ill., once an Ozark bastion, was now turned over to the commuter carrier.

In 1985, two things happened that would change everything for Ozark: Southwest Airlines, the low-cost carrier that did not follow the pack, entered St. Louis, going right into the St. Louis – Chicago market, among others. Then, through a hostile takeover, Carl Icahn gained control of TWA. Icahn went to work reducing labor costs at TWA and reducing passenger fares, making it a more formidable competitor. Ozark was forced to meet new challenges. Ozark had made money during the first half of 1985, but lost almost as much as it had made in the first half during the second half. Cash flow was critical and, in December, Mr. Crane approached the unions at Ozark proposing profit sharing and stock ownership in exchange for wage concessions. It was all happening a little too late in the game.

Edward J. Crane, the accountant, had abandoned Ozark's smaller stations and built the airline into a national player with routes radiating solely from St. Louis, which wound up being the corner that he painted himself and his company into. The Crane management team had produced a few profitable years for Ozark since deregulation but the clock was running out for the airline of the three swallows. It had not grown big enough to withstand major players, the way USAir had, and it was too late to totally change its game plan and become a low-fare point-to-point carrier like Southwest. When Carl Icahn made an offer to buy Ozark for $19 per share, he knew he had the upper hand. Ozark's board, its investment bankers and the company lawyers met at the St. Louis Airport Hilton, a property co-owned by Stan Musial, to consider the proposal. Although Crane insisted that "it was not a bang-bang decision," meaning that it had not been made in a hurry, the offer was accepted by the board and announced to the public in February 1986. Ozark employees certainly wondered why their company, which had been profitable for the past few years, should now be up for sale. Ozark management felt that TWA and the low cost carriers would crush Ozark if the company tried to remain independent so they took advantage of an offer that might not have been made a second time.

Icahn would merge Ozark into TWA and get rid of the three swallows and the green paint and the name of the company that had been associated with Midwestern states for so many years. The official merger date was October 27, 1986. On that day the eradication of Ozark began. Ozark Air Lines disappeared into Icahn's TWA, an airline that would meet the same fate when it merged with American Airlines 15 years later.

Ozark's successful rise from a four DC-3 operation to a national airline with a fleet of 50 jets was the result of the dedication and hard work of its loyal employees, proud to work for the great "little" airline that was "up there with the biggest."

PACIFIC AIR LINES
(FORMERLY SOUTHWEST AIRWAYS)

Southwest Airways was born in Hollywood, or more specifically, in Beverly Hills at Chasen's Restaurant. That's where Leland Hayward and Jack Connelly came up with the idea (*TIME* magazine, Feb. 8, 1943). Hayward, Southwest's co-founder, was one of Hollywood's best-known theatrical agents and the husband of actress Margaret Sullavan, but his first love was flying. In 1940, he and Connelly, a test pilot and Civil Aeronautics Administration employee, formed Southwest with the intention of establishing a fixed-base operation and

Left: *This 1949 Southwest Airways timetable shows their route system extending from Los Angeles, Calif., to Medford, Ore.* **Right:** *In 1951, Southwest promoted an attempted merger with West Coast Airlines in this timetable showing the route system that would have run along the whole of the west coast from San Diego, Calif., to north of Seattle, Wash., and extending east to Phoenix, Ariz. (From the author's collection)*

1. *Southwest Airways DC-3, N63107, seen at Los Angeles (LAX) in 1952. Note the airstair door that this airline pioneered and that greatly assisted in reducing turnaround time at a station. This innovation would be widely adopted in various forms by other feeder lines. (From the Tim Williams collection)* **2.** *Detail of airstair door. (From the Ed Coates collection via the author)* **3.** *Southwest's "Family Plan" allowed family members to fly for half-fare. This promotion inspired cartoonist Wiley Smith to use this as a "foil" in this cartoon. (From the author's collection)* **4.** *The Thunderbid logo for the airline incorporated into a baggage label. (From the author's collection)*

pilot training school. Their timing coincided with the military's need to teach thousands of prospective pilots how to fly in preparation for the United States involvement in WWII.

Unlike other aviation ventures trying to find financing, Southwest had no problem as Hayward's friends among the Hollywood elite, including Jimmy Stewart, Henry Fonda, Cary Grant and Hoagy Carmichael, purchased shares to help put the scheme into operation. The new company built an airport, Thunderbird Field, northwest of Phoenix, Arizona. Western artist, Millard Sheets, designed the complex to resemble a giant thunderbird from the air. The thunderbird was an Indian symbol that represented either thunder and lightning or flight, depending upon the tribe.

Southwest began churning out pilots, hundreds of them, at Thunderbird under contract to the military. The company soon built two more facilities, Thunderbird Field Number Two, and Falcon Field, both of which served as sites for Southwest Airways pilot training schools. After building the three airports complete with dormitories and classroom buildings, Southwest sold each facility to the government, then ran the operations and earned revenue for every flier they trained. By the end of the war Southwest Airways had minted more than 10,000 new pilots. And the company had earned a tidy profit.

As with other fixed-base operations that had served the government well during the war by training pilots, Southwest Airways was looked upon favorably when the company submitted an application to the CAB for authority to operate scheduled service as a feeder airline. The company was selected to operate 1,153 miles of local service routes "radiating from San Francisco." The award included authority to operate between San Francisco and Los Angeles via eight intermediate points, and two routes northward from San Francisco to Medford, Oregon: one roughly along the coast, the other up through the Sacramento Valley. Like all of the other feeders, Southwest's initial certificate was valid for just three years.

Once again, Southwest had no problem raising capital. Service was inaugurated on December 2, 1946, between San Francisco and Los Angeles while the two routes north from San Francisco were activated early the following year. By May 1947, Southwest was serving 23 airports, 22 of which were in California. Southwest would have been the first of the airlines created from scratch as a feeder to become airborne but was beaten to that claim by Monarch Airlines of Denver, which inaugurated service on November 27, 1946.

Southwest Airways DC-3 taxies out in this postcard shot. (From Pacific Air Lines former employees website)

Southwest started out with a fleet of eight 21-passenger DC-3s, each aircraft adorned with the company's thunderbird logo. Hayward and his team put a lot of thought into the creation of the feeder carrier. There were no guidelines to follow since it was an entirely new concept. First of all, station stops at intermediate points would be scheduled for one minute with the right engine left running, unless there were no passengers to be boarded or deplaned, in which case both engines would be left running. Both engines would be shut down and ground time increased slightly to allow for fueling, when necessary. Pilots fueled their own aircraft. While this was an ambitious schedule, it was not practical and, by the 1950s, the local airline norm would eventually become three minutes of ground time.

In order to facilitate the one-minute schedule, stewards were hired, instead of stewardesses, to act as flying station agents. Referred to as pursers, their job included moving all cargo and baggage to be off-loaded at the next stop to the front of the bin, next to the baggage compartment door. This was accomplished by installing a door between the cabin and the aft cargo bin. When the aircraft came to a stop on the ramp, the purser assisted with loading and off-loading cargo and bags, as well as passengers. The presence of the purser allowed Southwest to save on the expense of an extra agent at each station.

Each intermediate point would require just one agent to assist the purser (and vice-versa) in loading and unloading, while also handling station duties. In order to facilitate this quick ground stop, it was decided that all boarding, deplaning and loading activity must take place at ground level. Therefore, the forward cargo door would not be used. Instead, the last row of seats in each aircraft was removed and reinstalled up front where the forward cargo area had been located. In the back of the plane in front of the door, in the area formerly occupied by the last row of seats, a baggage rack was installed allowing passengers to carry aboard their own items, if desired.

The most important innovation that allowed for this quick-stop service was the installation of boarding stairs on the inside of the boarding door, which was hinged at the bottom. This 'airstair' design, which became standard equipment on all local service DC-3s, was first used in service by Southwest. The airstair door allowed the steward (purser) to lower the stairs from inside the cabin by using leather-covered chains installed on either side of the stairs, which also served as handrails. The self-contained airstairs eliminated the need for passenger loading stands to be rolled into place at each airport by an agent.

James G. Ray, a Southwest vice president, applied for a patent for the self-contained airstairs, and that caused contention. Sam Solomon, former president of Northeast Airlines, had left his position at that carrier and applied for a certificate to operate a company he called Atlantic Airlines. Among the innovations planned for Atlantic were integral stairs inside the doors of DC-3s, using the same concept, but not exactly the same design, as that adopted by Southwest. Atlantic's steps-in-the-door design was created by an engineer named David Morrow and pre-dated Southwest's design. Sam Solomon displayed a scale model of the design before the CAB during testimony in the Middle Atlantic Case. James G. Ray was present in Washington, D.C., at the time and asked Solomon if he could study the design. Solomon consented. Atlantic Airlines was not chosen to receive a CAB certificate and later, Southwest's Ray went on to receive a patent for the door without Solomon's permission. Though Southwest Airways claimed to be the innovators of the design, people who read the aviation press were well aware of who really originated the airstair concept.

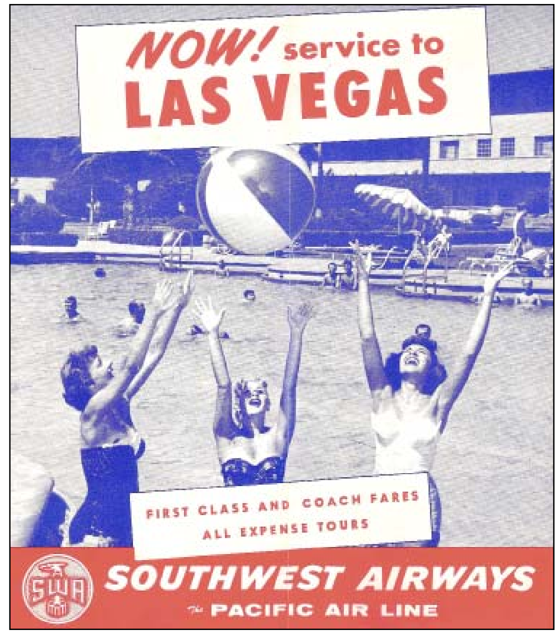
Another Southwest innovation was a buzzer system with which the purser could signal the cockpit to alert them that all loading and unloading had been completed.

As the airline gained experience some modifications were made to the original model of service. A second station agent was hired for each intermediate airport as the workload for a single agent, even with the assistance of the purser while an aircraft was on the ground, was sometimes too great. The flight schedule was adjusted to allow ground time of two minutes at intermediate points instead of one.

Southwest had a good population base along its system and the company quickly rose in the ranks of the local service carriers (the more-appropriate term being applied to feeders). After 22 months of operation, at the end of September 1948, the company posted its first profitable quarter with a net of $47,118. Meanwhile, other locals were still struggling to make ends meet in their infancy.

In 1950, Southwest's management entered into discussions with Nick Bez, who controlled West Coast Airlines, the local service carrier operating just to the north of Southwest Airways' territory. The two airlines met at Medford, Ore., Southwest's northernmost point, and West Coast's southernmost. It was a particularly weak "end of the line" city for feeder connections. If the two companies were allowed to merge, people from the smaller cities in Washington State and Oregon could travel through to points in California and likewise for the residents of small-city California who would have one-carrier access to Portland and Seattle. It was postulated that a merger would create generous savings and increased revenue so petition for such a union was presented to the CAB. The CAB denied the request, fearing that the creation of a single local airline whose route system would stretch from Bellingham to Los Angeles would compete with Western Airlines and United for traffic along the Pacific Coast.

In 1952, Southwest acquired four Martin 202s and gradually introduced them into service. (From the author's collection)



Service to Las Vegas was introduced in 1957 as seen in this promotion. (From the author's collection)

But the CAB followed its denial of the Southwest/West Coast merger request with proposal of a merger between Southwest Airways and Bonanza Air Lines, one in which neither carrier would be a willing participant. Bonanza had been losing money while Southwest was profitable. The Board felt that a merger would reduce Bonanza's reliance on subsidy. Lack of interest on the part of either airline caused the Board to drop the matter but both carriers, along with West Coast, would be back at the bargaining table discussing merger many years later.

In 1952, Southwest boldly took the step to acquire larger, more modern equipment. Its aircraft of choice was the 40-passenger Martin 202. The move was bold because another local service carrier, Pioneer Air Lines, had recently replaced its entire fleet of DC-3s with Martins, to the displeasure of the CAB, which refused to underwrite the purchase with increased subsidy. Subsequently, Pioneer had to remove its Martins from service and lease more DC-3s. The fiasco put Pioneer into a spiral that eventually led to the company losing its identity through merger with Continental Air Lines, a trunk carrier. Southwest, on the other hand, purchased only four Martins to supplement its DC-3s, not to replace them, and initially added only two of the type to its schedule rotation. This more conservative approach to fleet upgrade had favorable results, making Southwest the first of the Locals to successfully add larger equipment to its fleet.

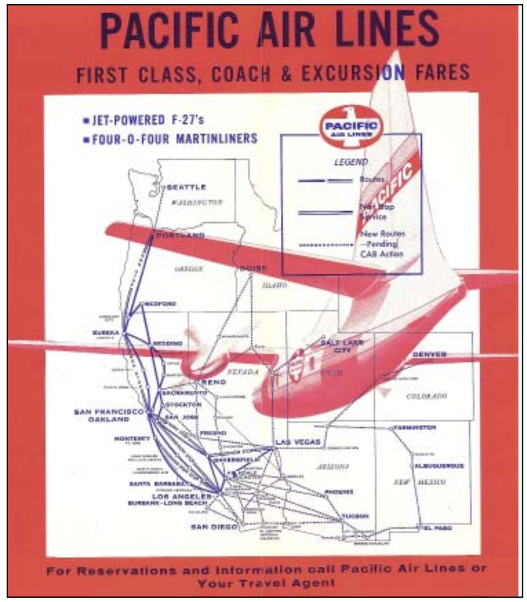
Southwest Martin 202 featured on an airline postcard. (From Aviation World via the author)

Southwest Airways continued on its path of progress by recording the highest passenger load factor among the Locals in 1954 and 1955. The carrier was a thorn in the side to much larger United Air Lines, whose authority to serve Santa Barbara, Monterey, Eureka and Red Bluff was temporarily suspended by the CAB in 1952, in order to turn these stations over completely to the local airline. United made an offer to the CAB: The trunk carrier proposed taking over Southwest and operating the feeder system itself without taking subsidy. The Board declined. Had the CAB accepted United's offer, it may have set a precedent that could have led to the demise of the fledgling network of independent local airlines. Instead, 1955 brought permanent certification of the Locals with Southwest being the first carrier to receive one of the non-expiring certificates. Concurrent with this new recognition bestowed upon Southwest, United was allowed to re-enter the markets of Monterey, Santa Barbara and Eureka.

Southwest also joined the ranks of carriers hiring female flight attendants as the ability of pursers to sort cargo and baggage was lost with the introduction of the Martins.

The company's route network was strengthened with liberalized operating authority allowing nonstop and limited stop service between various points on its system. Las Vegas became a Southwest Airways station in 1957.

Then, on March 6, 1958, the company officially changed its name to Pacific Air Lines, an appellation more appropriate to the territory served.



Left to Right: *Southwest formally change their name to Pacific Air Lines in March 1958, as announced by this June 1, 1958, timetable. Pacific began updating their fleet with Fairchild F-27s in 1959 that they branded as "Jethawks." By 1960, Pacific had applied for routes extending from Seattle, Wash., to San Diego, Calif., and reaching inland as far east as Denver, Colo., Albuquerque, N.M., and El Paso, Texas. This July 30, 1966, timetable announced Pacific's introduction of jet aircraft into their fleet with the introduction of Boeing 727s. (All from the author's collection)*

In April 1959, Pacific entered the turboprop era by introducing Fairchild F-27s into service on its routes, referring to the brand new aircraft as 'Jethawks.' Late in 1959, Pacific also began to replace the Martin 202s in its fleet with pressurized Martin 404s, purchased second-hand from TWA. Over the years, Pacific operated a fleet of 10 Martin 404s, in a 44-passenger configuration. One of the 404s was eventually converted to a cargoliner.

Also in 1959, the issue of having Medford, Ore., as the terminal point for two local service carriers was resolved when Pacific's system was extended northward to Portland and West Coast was authorized to fly south to Sacramento, Oakland and San Francisco. Pacific's system was enlarged further in 1962 with the addition of Reno, Fresno, Long Beach and San Diego to the company's route map. Lake Tahoe was added the following year.

In 1963, Leland Hayward and John Connelly sold shares of Pacific stock to West Coast's Nick Bez, effectively giving that company a one-third interest in Pacific. The prospect of a merger between the two airlines was once again being pursued, but this time West Coast was the stronger of the two carriers. Making even more money now than either West Coast or Pacific was Bonanza Air Lines, which had once lagged behind with a weak network stretching through the Desert Southwest. The CAB launched an investigation into West Coast's acquisition of Pacific stock, which had been accomplished without permission of the Board. The prospect of merger between Pacific and West Coast or between Pacific and Bonanza loomed in the

Pacific began replacing their Martin 202s with pressurized 404s in late 1959. N40432 is seen here in an early 1960s paint scheme. (Photo from the collection of Bill Thompson via the author)

Pacific also introduced Fairchild F-27s into their fleet in 1959 and continued to operate them through the 1960s. N2771R is seen here in the final scheme. (Photo from the collection of Bill Thompson via the author)

In 1967, Pacific initiated a short-lived marketing campaign that included dressing their stewardesses in trendy hot-pink uniforms. Short lived because the board of directors were not impressed with the marketing message, and Pacific would merge with West Coast and Bonanza to form Air West in early 1968, as seen in this final Pacific timetable indicating the merger. (From the author's collection)

background now as it had years before.

When the local service carriers started gearing up for the jet age, both Bonanza and West Coast chose the Douglas DC-9 as their jetliner of choice. Pacific's management decided to hold out for the Boeing 737, which was several years behind the DC-9 in development. As a stopgap measure, Pacific would take delivery, via lease, of five Boeing 727-100s to operate while awaiting production of its six ordered 737s.

The 727s arrived and two of them were immediately leased to National Airlines. The remaining three went on-line in July 1966. Pacific's most profitable nonstop market, San Jose – Los Angeles, had just been invaded by intrastate carrier, PSA (Pacific Southwest Airlines), bringing low-fare competition to Pacific's bread-and-butter route. The new jets were put into service on routes where the company felt they could make an impression and make money: San Francisco – Monterey – Santa Barbara – Los Angeles, San Francisco – Fresno – Bakersfield – Los Angeles and, of course, San Jose – Los Angeles. Other markets eventually received service from the tri-jets.

With its new jets, Pacific wanted to boost traffic and generate attention. The company hired comedian and satirist, Stan Freberg, to create an advertising campaign that would create 'buzz' for Pacific Air Lines. Freberg's work was known for being unorthodox and ahead of its time and his work for Pacific proved to be no exception. In a campaign called "Sweaty Palms," introduced in May 1967 concurrent with the inaugural of nonstop Burbank – San Francisco service, Freberg played on the public's fear of flying. Print ads began with: "Hey there! You with the sweat in your palms," while flight attendants were instructed to announce: "We made it! How about that?" after every landing. Hot pink lunch pails containing a rabbit's foot, a small security blanket and silly putty were passed out to passengers. There were plans to paint the exterior of one of the 727s to look like a steam locomotive. That aircraft was to be equipped with a train whistle and recorded train sounds in the cabin. The campaign never made it as far as painting the jetliner to resemble a train. Some on Pacific's board were not pleased with the content of the ad program and the company's vice president of marketing and its director of advertising resigned. The campaign was withdrawn in June 1967.

Pacific stewardesses were clad in trendy new hot-pink uniforms as part of the company's makeover.

The 727s entered more markets where the CAB allowed liberalized authority: nonstop San Jose – Las Vegas, Burbank – Las Vegas, and Monterey – Los Angeles. But losses were so great that management actually considered removing the jets from service. It was decided that such a move would create more harm than good to the public's perception of Pacific and besides, the merger issue was now front-and-center.

On July 21, 1967, G. Robert Henry, former executive vice president of Bonanza, took over as president of Pacific Air Lines in preparation for a three-way merger among Bonanza, Pacific, and West Coast. Pacific would be the surviving carrier and the company's name would be changed to Air West. Headquarters were to remain in San Francisco. The CAB gave its blessing and President Lyndon Johnson signed off on the merger because it involved international routes to Mexico (Bonanza) and Canada (West Coast). Pacific, West Coast and Bonanza officially became Air West on April 17, 1968, and the first integrated schedule of the three airlines was issued on July 1. Three of America's permanently-certificated local service carriers had just disappeared.

PIEDMONT AIRLINES

Winston-Salem, N.C., is in the heart of tobacco country. Two brands of cigarettes popular in the twentieth century took their monikers from the two halves of the city's name. The local airport, Smith Reynolds, was named after Zachary Smith Reynolds, the aviator son of R.J. Reynolds, founder of the tobacco company that bears his name. So it should be no surprise that the fixed-base operation (FBO) at that airport, which Tom Davis bought in 1940, was called Camel City Flying Service, named after one of the cigarette brands manufactured in Winston-Salem.

Z. Smith Reynolds' brother, Dick Reynolds, had formed Reynolds Aviation in 1927. By the late 1930s, the company's name had been changed to Camel City Flying Service and was under the management of Mac McGinnis, Reynolds' chief pilot. McGinnis hired Tom Davis, a young man from a prominent Winston-Salem family, to be an aircraft salesman for the company in 1939. The following year Davis purchased a controlling interest in the fixed-base operation from Dick Reynolds and he renamed the enterprise Piedmont Aviation. The new name became effective on July 2, 1940, and Tom Davis was on his way to becoming one of the twentieth century's legendary figures in commercial aviation.

Piedmont Aviation established FBOs throughout the State of North Carolina. Then, during WWII, Piedmont took on the task of pilot training and aircraft maintenance for the military.

Piedmont initiated their operations in 1948 with three Douglas DC-3s. (Piedmont promotional postcard from the Charles Laird collection via the author)

This January 20, 1949, timetable shows the initial route system awarded to Piedmont, while their promotional literature touts their DC-3 fleet's style, comfort and performance. (From the author's collection)

The company's facility at Winston-Salem employed 100 people and instructed more than 1,000 pilots during the war years, including military students from South America.

When the CAB began its process of creating America's feeder airline network, Piedmont Aviation was one of the applicants in the Southeastern States Case. Tom Davis and his team carefully prepared their presentation to the CAB, outlining fiscal plans for running an airline and noting the company's history as a successful fixed-base operator with many locations, emphasizing the contemplated airline's ability to handle much of its own maintenance. His original proposal for routes blanketed the state of North Carolina, covered much of Virginia and South Carolina, and reached into neighboring states.

The CAB issued its decision on April 4, 1947, selecting Piedmont to operate local services between the Ohio Valley and the Atlantic Coast area of Virginia and North Carolina. As was the case with successful feeder applicants in other parts of the country, undoubtedly working in Piedmont's favor was the added fact that the company had performed work for the government during the war. However, the route system awarded to Piedmont was much smaller and quite different than the one originally proposed by the company.

One of the other applicants in the case, State Airlines of Charlotte, filed an objection to the Board's decision. State, founded in 1939 by Hank K. Gilbert Jr., had performed an in-depth study of the transportation needs of the area, determining which cities would generate the greatest number of air travelers per capita. Gilbert's team had also estimated operating costs and had lined up financing. Obviously they were upset when Piedmont won the award as they felt they were better suited to operate a feeder airline in the region. State challenged the Board's decision on a number of grounds including the award of routes to Piedmont that did not match those requested by the company.

State's challenge was accompanied by protests from Delta Air Lines and Eastern Air Lines. Both Delta and Eastern contended that they could operate the new feeder routes as part of their own systems. The feeder concept was brand new and unproven. The last thing that the established airlines wanted was for new airlines to be given authority that might eventually be expanded into competition.

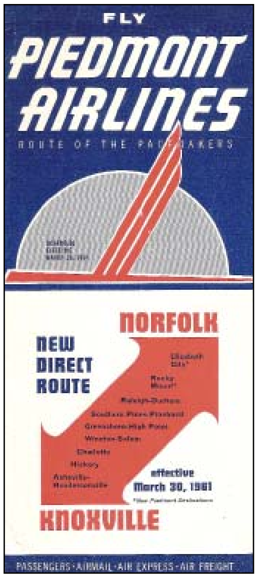
State Airlines took the matter to the U.S. Court of Appeals and then, dissatisfied with the ruling from that body, all the way to the U.S. Supreme Court, which would not hear the case until 1949. In the meantime, the Court of Appeals and the CAB cleared Piedmont to begin operations. The Supreme Court settled the matter once and for all when they issued their decision on February 6, 1950, upholding the CAB's decision-making process and, thus, the Board's award of the certificate to Piedmont.

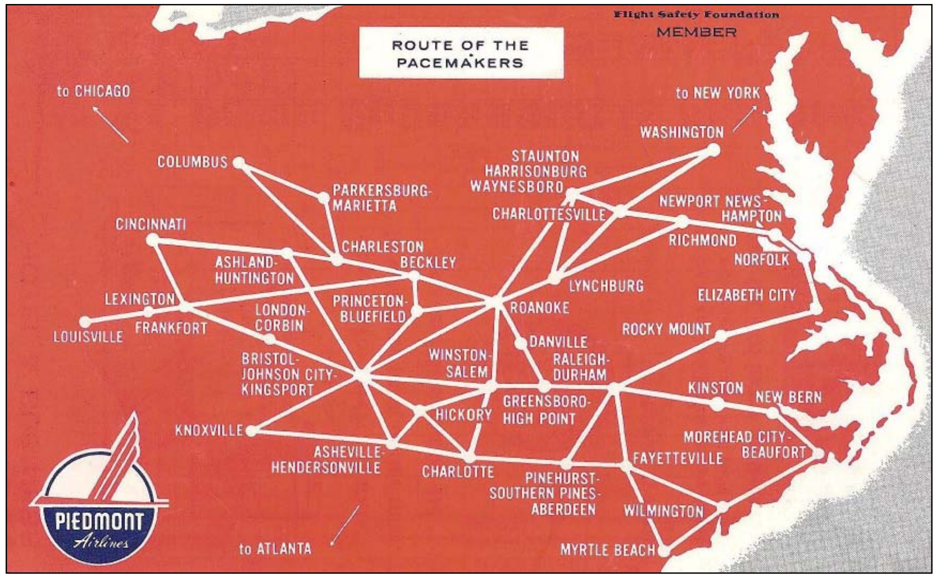
Piedmont's network started out as a pattern of basically east – west routes, spanning the Appalachian Mountains. To quote the CAB, this experimental feeder system would connect "the industrial Midwest with the Middle Atlantic States of North Carolina and Virginia. Surface transportation [has] become highly developed in a north – south direction, but because of the natural barriers created by the Appalachian Mountain range slow and circuitous rail and highway systems [have] developed in an east – west direction."

Piedmont Aviation remained the name of the company performing fixed-base services, while Piedmont Airlines was the designation given to the entity that would operate the feeder network. Three Douglas DC-3s, one leased from Southern Airways of Atlanta, the other two purchased from Colonial Airlines, made up the airline's initial fleet.

Piedmont's inaugural flight departed Wilmington, N.C., at 7:15 a.m. on February 20, 1948, postponed one week from February 13 due to weather. After stops in Southern Pines, Charlotte, and Asheville, N.C.; Tri-Cities, Tenn. / Va.; and Lexington, Ky., each involving a municipal celebration, the flight arrived at its terminus, Cincinnati, Ohio. The return to Wilmington took place after a luncheon at the Cincinnati airport commemorating the first flight.

Service over Piedmont's other authorized routes was phased in during the course of the next three months culminating with





Left to Right: *This 1959 timetable promotes the introduction of the Fairchild F-27s, while the 1961 table capitalizes on the route transferred from Capital Airlines. This 1961 route map shows that Piedmont's system had more than doubled in the preceding decade. (From the author's collection)*

the Norfolk – Cincinnati route activated on May 14, 1948.

During its first few years of operation, Tom Davis saw to it that thriftiness was the company's guiding principle, while the employees worked hard to make sure that the airline, christened "The Route of the Pacemakers," would be a success. The company performed all of its own maintenance in-house. Passenger count increased markedly year-by-year as the airline's flight completion factor hovered at 98 percent. The airline rose to the top among the Locals as it registered the lowest operating expense per revenue plane mile in 1950 among its peers operating exclusively with DC-3s for the entire year. Most impressive to the CAB was Piedmont's lesser need for mail subsidy in comparison to the other Locals. When the airline's certificate came up for renewal, the CAB examiner recommended that it be extended for 10 years, an extraordinary recommendation for a type of air carrier still in the proving stages. The Board renewed for seven years, which was still a powerful testament to the carrier's record.

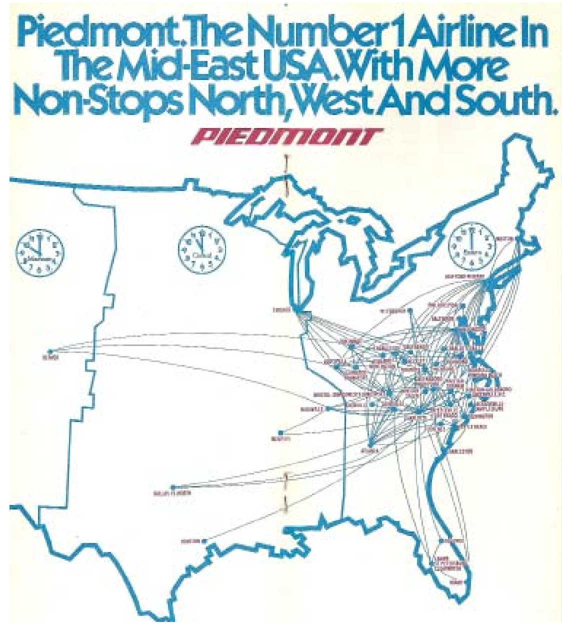
Even though Piedmont ranked highest among the Locals in passenger revenue in 1953 and 1954, and its subsidy requirement was lower than that of other local service carriers, the company still relied on those government payments, as did all of its peers. It came with the territory that short hops among small cities in aging airliners required more money than passenger and cargo revenue alone could provide.

Like all of the other local airlines, Piedmont got a boost in 1955 with permanent certification. Also that year the company's route system was extended to Washington, D.C., Columbus, Ohio, and Charlottesville, Va., all of which became high-volume stations for Piedmont.

At the end of 1955, Piedmont was flying 17 Douglas DC-3s, and would acquire three more the following year. Better equipment was needed and Tom Davis had his eye set on the new-generation, pressurized, turboprop Fairchild F-27. In 1956, Piedmont ordered 12 of the type with an option for 12 more, the largest aircraft order placed by a local service airline up until that time. Piedmont's F-27s would be configured to carry 36 passengers.

In 1958, Piedmont began to upgrade to the next generation aircraft in the form of the Fairchild F-27. While a favorite of customers, it was the Martin 404 that would form the backbone of the fleet. (Piedmont publicity photo from the author's collection)

As Piedmont's route system grew in the early 1960s, the need for more capacity was met through the acquisition of 17 Martin 404s. N40414 and 40418 were at Atlanta, Ga., in April 1966. (Photo from the Hufford collection of the AAHS archives, AAHS-37389)



Left to Right: *1967 saw Piedmont's addition of Boeing 727s to its fleet, leasing them while they waited for their 737s. 1968 found them adding Nihon YS-11s to upgrade from their Martin 404s, F-27s and FH-227s. Piedmont continued to grow through the 1960s and 1970s resulting in this 1981 route map. (From the author's collection)*

The new airplanes began arriving in late 1958, by that time Piedmont had reduced its order from 12 to 10. The ambitious plan to eventually purchase 24 F-27s was reduced to the reality of being able to afford eight, as two of the new planes were immediately sold to corporate customers. The Fairchilds entered service on November 14, 1958, and proved to be popular with passengers.

In March 1961, the CAB transferred Capital Airlines' route authority between Norfolk, Va., and Knoxville, Tenn., via intermediate points, to Piedmont, which added Elizabeth City and Rocky Mount, N.C., to the Route of the Pacemakers. This was overshadowed the following year by expansion of Piedmont's system south to Atlanta and north to Baltimore with yet more new stations added to the airline's network.

Still more aircraft were needed as Piedmont grew and the company wanted to phase out its DC-3s. In 1961, Piedmont purchased 17 Martin 404s from TWA, one of the two original operators of the type. These used aircraft were a lot less expensive than buying brand new F-27s, and Piedmont operated the 404s with 44-passenger interiors, eight seats more than were available on the Fairchilds. Although Piedmont is generally associated with the F-27 in this era it was actually the Martin that became the backbone of Piedmont's fleet. Piedmont would eventually buy and operate 36 Martin 404s over the years. One Martin 202 was purchased for spare parts.

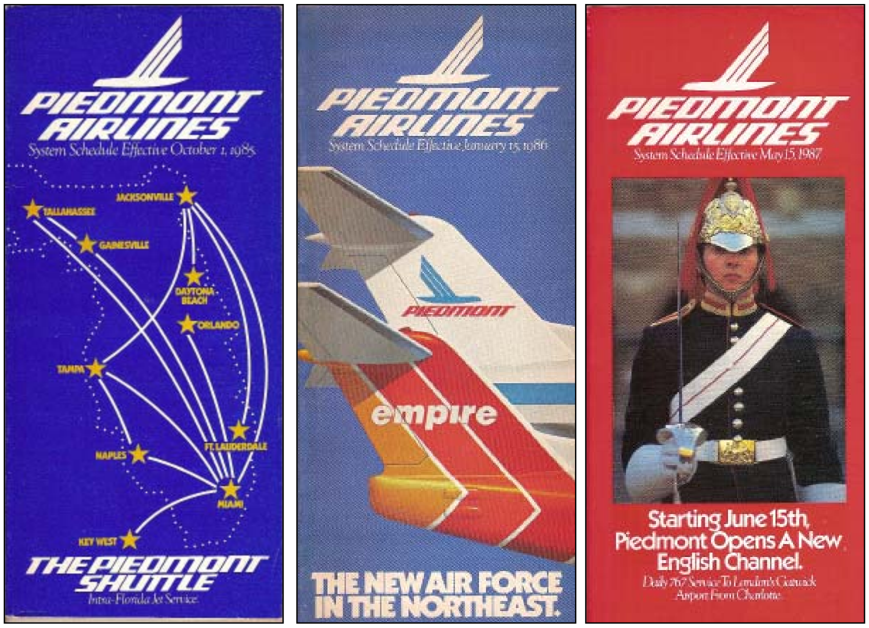
With the arrival of the Martins, which went into service in January 1962, Piedmont began hiring female flight attendants to replace its all-male corps of pursers.

As more Martins joined the fleet alongside the eight F-27s, the company eased its DC-3s out of service. Finally, on February 20, 1963, the company operated its last DC-3 flight. A total of 23 "Gooney Birds" had served Piedmont over the years.

The combination of the Martin 404 and Fairchild F-27 allowed Piedmont to begin phasing out their Douglas DC-3s. This F-27 was photographed at the Charlottesville, Va., airport in January 1959. (Frank C. Hartman photo from the AAHS photo archives, AAHS-S002923)

With all of the Locals looking to the future and the looming need for turbojets, Tom Davis and his staff chose the Boeing 737, which would not be available until 1968. In the interim, Boeing Aircraft leased two 727-100s to Piedmont. These impressive airliners would provide the first jet services offered along the Route of the Pacemakers. The airplanes were huge compared to anything Piedmont had operated previously. The airline had expanded north to New York's LaGuardia Airport in November 1966. Consequently the tri-jets were christened the Manhattan Pacemaker and the Empire State Pacemaker.

The two 727s entered service on March 15, 1967. Four months later, the Manhattan Pacemaker was involved in a tragedy that brought unwanted attention to Piedmont. The aircraft was climbing out of Asheville /



Left to Right: *By 1983, "feeder airline" Piedmont had established its own regional feeder operation. In 1986, Piedmont acquired Utica, N.Y.-based Empire Airlines. 1987 saw the airline become an international carrier with flights between Charlotte and London. (From the author's collection)*

Hendersonville, N.C., around noon on July 19, 1967, when it was hit by a Cessna 310 being flown by a private pilot. As a result of the mid-air crash, all 79 aboard the 727 died as did the three occupants of the Cessna. It would be the most deadly accident in Piedmont's history.

In addition to the 727s, Piedmont introduced another new type into its schedules in 1967, the FH-227B, an advanced and stretched version of the F-27. Ten of these 44-passenger aircraft replaced the smaller Fairchilds.

1968 would outpace 1967 for new aircraft acquisitions as the company made a bold move, placing a Japanese-built turboprop into service. The Nihon YS-11 was a twin-engine, 60 passenger airplane that offered better operating performance than the FH-227B for Piedmont's airports located in the Appalachians. The YS-11, with its increased capacity, could operate unrestricted out of every airport on the system and would replace the Martin 404s, helping to transform the Pacemaker fleet into an entirely turbine-powered operation. More than 20 YS-11s eventually flew in Piedmont colors.

Finally, the Boeing 737-200s began arriving in 1968. The 737 would prove itself to be the standard aircraft for Piedmont as the years went by.

Piedmont had been a consistently profitable company, but like other Locals that were now being designated Regionals, the transition to the jet age while still carrying the responsibility of serving small cities started to take its toll.

The huge investment in new aircraft, the loss of one of the two 727s, escalating operating costs, a 1969 pilot strike over the three-man cockpit issue and, finally, a downturn in the economy, led to losses in 1968, '69 and '70. The dedicated effort of the company's employees turned the financial picture around but then the industry endured the 1973 oil crisis. Piedmont's management led the company through the lean years and faced the growing inevitability of deregulation.

In the late 1970s, Piedmont management, with the help of the company's advertising agency, instituted the Careline Program, known for its slogan, "We Care." The purpose of the program was to motivate employees and inform the public that 'Piedmont cares.' The result was an inspired workforce made ready to face the challenges of a deregulated environment.

Unlike most other carriers, Piedmont thrived after deregulation as a result of good planning, good management, and, as always, good customer service. Piedmont developed what it referred to as its Bypass Strategy, putting it into effect after deregulation became a reality in 1978. Instead of jumping into big markets that other carriers were entering, Piedmont began offering nonstop service from cities on its own system to destinations that previously required a connection, bypassing the connecting terminal point.

Piedmont also adopted the hub-and-spoke system

Nihon YS-11s were added to the fleet in 1968 along with Boeing 737s. N164F was photographed at Washington National on November 19, 1968. (Photo from the Hufford collection of the AAHS archives, AAHS-37425)

Piedmont Boeing 727 N834N departs Denver Stapleton airport in July 1982. (Raymond Rice photo from the AAHS photo archives, AAHS-S002923)

Piedmont began standardizing their fleet with Boeing B-737s and continued to add newer versions up until their merger with U.S. Air in 1989. This B-737-400, N407US, was photographed at San Diego's Lindbergh Field in January 1989. (Photo from the AAHS photo archives, AAHS-S002923)

establishing, first, Charlotte, N.C., then Dayton, Ohio, as major connecting points where passengers inbound from 'spokes' could be transferred to other 'spokes.' The two airports were perfect hubs for the company as Piedmont easily became the predominant carrier in both cities. The company went on to open hubs in Baltimore, Md., and Syracuse, New York. The Syracuse hub was established after the acquisition of Utica-based Empire Airlines in 1986.

The above strategies were accompanied by a commitment to advertising. A new agency was hired in 1979, the budget for advertising was increased by 70 percent, and Piedmont soon became "The Up and Coming Airline."

More 737s were acquired as needed, and the need was great. In 1981, Piedmont became the largest single operator of Boeing 737s in the world.

The Boeing 727 once again entered Piedmont's fleet in 1976 as extra lift was needed. Then, in 1982, the Route of the Pacemakers became an all-turbojet airline when the final YS-11 was withdrawn from service on March 14. With the 60-passenger YS-11 gone, Piedmont added the twin-jet, 65-passenger Fokker F-28 to its fleet in 1984.

Tom Davis stepped down as president in 1981, assuming the titles of Chairman and CEO. He then relinquished those positions in 1983, having built his little feeder operation into the tenth largest airline in the United States; 17th largest in the world.

Henson Aviation was acquired in 1983, to be operated as a subsidiary providing regional feed into what was now an airline that had grown well beyond the description of Local Service or Regional. Piedmont became a transcontinental carrier in 1984, achieving the status of a Major Airline with annual sales in excess of $1 billion.

Piedmont became a transatlantic operator in 1987, with the inaugural of Boeing 767 service from Charlotte to London. By this time all of the other original local service carriers had disappeared through merger or bankruptcy, with the exception of one – U.S. Air, formerly Allegheny Airlines.

Piedmont's success had made it an attractive target for merger or acquisition in the chaotic takeover years of the 1980s. After fending off several other suitors, Piedmont succumbed to merger with its fellow ex-Local, U.S. Air. The merger was finalized in 1989, and U.S. Air became the surviving carrier.

Piedmont's demise reduced the ranks of the 'Original 13' down to one. But the Route of the Pacemakers left a proud legacy of service and Piedmont Airlines, gone but not forgotten, is still remembered fondly as one of America's finest airlines.❏

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