

June 27 '05

Dear Leonard,

I will try to relate the impact of two separate non-sked associations which formed early in the history of the industry.

Originally two separate, unrelated groups, ^{formed} spontaneously in the early 1946 era. They were not organized nor related.

The first and largest formed in Miami to exploit the New England, New York - Miami market, which also served San Juan, Nassau and other points in the Caribbean.

The West Coast group appeared in Burbank, San Diego, Portland and Seattle and began service on the runs up and down the coast and East to Chicago, Memphis and New York.

In early 1946 Eastern airlines was booked up to six weeks for the N.Y. - Miami run and they only had DC 3's.

Col. Deering Howe of the farm machinery empire, had two DC 4's and dominated the traffic until he stopped all operations by the summer.

(2)

The publisher of the Miami Herald, a wealthy and influential man started his own airline and presided at several meetings in those early days while the CAB and the major airlines were floundering around with, to them, an inconceivable force had invaded their ivory towers.

At first the CAB tried to relegate this herd of undesirables to the category of air taxi operators.

Over the next three or four years, the CAB waged a ruthless war against us, until the Korean war began in June 1950. I had leased our 4 DC4 aircraft to the Flying Tigers, which doubled their fleet and because of a huge demand for air lift to the Far East boosted the price of the DC4 to a half a million dollars. USOA recovered its DC4s from FTL in early 1951 and shortly after got a prime air lift contract from Wright Field at Dayton, Ohio.

Prior to our contract, I had gotten to know Amos Heacock, whose Seattle based airline ATA had been targeted for extinction by the CAB, and suffered invasions at midnight, by CAB detectives, who ransacked and stole files. These were forced entry breakins worthy of the CIA.

Amos To my great admiration moved to Washington D. C. to seek justice

During the summer of 1961 at a meeting of most of the surviving non sheds and the associations IAA and SACC; the full names being "Independent Airlines Association" and the "Supplemental Air Carrier Conference". IAA came into existence when IMATA and ACTA merged in the late fifties. SACC was formed by John J. Klak around 1946, but remained dormant until USOA, S.S.W. and a couple others activated it during the late 50's, and ensconced Dewitt Yates in part of SACC's offices on the 10th floor of the building, on Vermont Ave. Wash. D.C.

Yates practiced law and served as attorney for USOA, SACC, SSW and a couple others. Later after all the non sheds except the CIA properties, were dead and buried, we discovered that Yates was a CIA agent; they had planted a spy right in the heart of our inner sanctum. He disappeared not long after, and to this day no one knows where he went or why.

Regarding the 1961 meeting at the Carlton Hotel, Coates Bear, representing World created, with Clayton Burwell's help, a disturbance that broke up the conference, with some stomping out. (note my sworn declaration re Burwell made in the late 70's.)

The damage done to our cause by having two separate associations where one, IMATA, during the years mainly in the 50s, would broadcast at every opportunity

(4)
that they were good little boys, not aspiring to compete with the major subsidized carriers as the ACTA carrier members were.

Over the years this destructive propaganda influenced politicians, bureaucrats the news media, who might otherwise have been favorable or neutral to ACTA's crusade to carve out a place in the air transport system. The CAB did, during this time, revoke many of the smaller carriers authority; the larger ones fought the board in the courts and finally killed the two largest - North American and Great Lakes.

What finally happened was Congress, - really usurping the CAB, passed a drastic law in 1962 wiping out the entire industry.

The house bill was managed by John Bell Williams, the aviation sub committee chairman, who we learned from his successor, after Williams became governor of Mississippi, that he had been in the vest pocket of Delta Airlines from the day he was elected in 1946!

The Senate bill, managed by Sen. Mowbray of Oklahoma, would have certificated us on a par with the major carriers. The Senate bill was gutted in the conference. Jack Kennedy had promised Eric Smith, Senator Sparkman's nephew and chairman of Pres. Kennedy's small business committee, that he would veto the bill.

When it arrived at ⁽⁵⁾ the White House, Kennedy promptly signed it. Eric Smith, who had known Kennedy from when he was a Congressman, and a close friend never spoke to him again.

The story we got was that the major carriers got the all powerful Banking Lobby to order the law passed. I believe it to be true. After all we had spent 18 years at great cost, in hopes and fears, with lives and careers lost, families broken up, with emotional and psychological trauma, to thousands of people. Why? and how could Congress, not in character, act so suddenly?

Our industry, not united, but divided over all those years simply could not present a strong enough front to influence and battle the giants of the industry. Too bad! look at the hopeless mess the entire industry is in, and most of the blame can be put on the Federal Government.

The enclosed statements, letters may be useful for your files.

Regards and all the best,
Ralph