

PERMANENT CERTIFICATION HOT ISSUE

In a hearing before the House Commerce Committee, February 28, questioning of Acting CAB Chairman Chan Gurney amounted to an attack on CAB majority's negative policy toward permanent certificates for the local service carriers. Throughout the hearings Gurney has strongly defended the Board's "No" policy for permanent status for the locals.

Trend of the questioning sought to show that the locals are in about as good shape as were the trunks when they received their certificated in 1938. In reply to a question from Rep. Wolverton, (R-N. J.) Gurney indicated some locals are close to the point of permanency, could possibly achieve permanent status at their next renewal proceedings.

Rep. Hinshaw (R-Cal.) sought to show that many of the trunks were actually feeders when certificated and became trunks in actuality only as their routes were extended and long-range aircraft developed. He charged that some trunks are dodging service on local service stops, pointed to United's objections to stops on Braniff's Route 106. Hinshaw also sought to show that many of the trunks operate and lose money on feeder routes, and that if they were to shed such stops, they could offer more effective competition to non-skeds who serve only major terminals.

Meanwhile, Member Joseph P. Adams, has strongly supported the Permanent Certification Bill. Adams, only CAB member supporting the Magnuson Bill (S. 651), said the majority "in supporting the validity of claims that permanent certification would destroy initiative, etc., is completely overlooking the power and duty which we, as Board members have, to see to it, in our mail pay decisions, that inefficiencies of this type just don't happen". CAB Acting Chairman Chan Gurney, Members Harmar Denny and Josh Lee, and Under Secretary of Commerce Walter Williams have appeared in opposition to the Bill. Last minute support for the Bill came from Clarence Sayen, President, ALPA, Crocker Snow, Director, Massachusetts Aeronautics Commission, and Nick Bez, President, West Coast Airlines.

DCA STEP CLOSER

Piedmont's hopes of Washington service came one step closer to reality when May 10 was set as the date of hearing before Examiner Richard A. Walsh. Exhibits must be filed by April 15, exhibits which will indicate the mutual benefit which will accrue to both Piedmont and to the cities which we serve by addition of the Nation's Capitol to our routes.

In a preliminary hearing, the airlines intervening indicated they would have no opposition to Piedmont's petition, since we do not intend to operate Norfolk-Richmond-Charlottesville-Washington due to the circuitous nature of such a route, which would affect Allegheny, Capital and National, nor do we intend to operate Washington-Winston-Salem via Danville and Greensboro, which would affect Eastern.

Among those supporting Piedmont are John S. Battle, Jr., son of the former Governor of Virginia, representing Charlottesville and Lawrence H. McWane, long and ardent Piedmont booster, representing Lynchburg.

Piedmont executives are hoping, and the signs point to, an early decision by the CAB, but no forecasts of when a decision will be reached are being made.

MCCALL ELECTED TO INDUSTRY POSTS

Mr. C. H. McCall, Manager of Revenue Accounting, was elected Vice Chairman of the Revenue Accounting-Passenger Committee, Airline Finance and Accounting Conference, at the March 23-24 meeting of the committee held in Kansas City, Missouri. Mr. McCall currently represents Piedmont on the Passenger Accounting and Cargo Accounting Committees of the Conference. Mr. M. J. Schneider, TWA, was elected Chairman of the Revenue Accounting-Passenger Committee for 1955.

Mr. McCall was also elected to the Board of Directors of the Airlines Clearing House, Inc., at the annual meeting of the stockholders held in Kansas City. For another first -- Congratulation, Mac!!

NORTH CENTRAL GETS NEW ROUTE

CAB this week certificated North Central Airlines to operate between Chicago and Detroit via South Bend, Kalamazoo, Jackson, Battle Creek, and Ann Arbor, Mich., in substitution for American Airlines, which will continue Chicago-Detroit non-stop. Board voted 3-1 in favor of North Central with Member Joseph Adams agreeing that a local service carrier should get the route, but favoring Lake Central for the award. Adams held out for LCA, cited their "greater need for this potentially profitable segment". Certificate extends to September 30, 1955, when NOR's entire certificate expires.

NEW BOARD MEMBER SWORN IN

Ross Rizley, new Civil Aeronautics Board member, was sworn in March 1 by Federal Judge Noble J. Johnson. White House action designating Rizley to serve as CAB Chairman for 1955 was expected momentarily making him the 20th man to serve on the Board and its 11th Chairman. Reports also indicate that Rizley will choose Robert Kunzig, former Chief Counsel for the House Un-American Activities Committee, to serve as his Executive Assistant.

PAI ISSUES FINANCIAL REPORT

Piedmont Aviation's Financial Report for 1954 shows a consolidated net profit of \$137,865 after taxes. Total income for the year was up 20% over 1953 while operating expenses rose 15%. Traffic was up 14%, totalling over 300,000 passengers.

All bank loans were retired in 1954, and the 16th DC-3, N55V, was purchased without borrowing. Fixed Base sales rose 35% over 1953.

Then there was the near-sighted fellow who picked up a snake to kill a stick.