

THE LOCALS ARE HERE TO STAY

IKE SIGNS LOCAL SERVICE BILL

A major era in aviation history ended Thursday, May 19, when the President of the United States signed "Dwight D. Eisenhower" at the bottom of the bill which gave the local service carriers of America a permanent place on the American scene.

The President's action was the culmination of a year of determined effort on the part of the carriers themselves, and all the other civic and professional groups convinced that permanency for the locals is to the country's best interest. Threatened with extinction, the local service industry answered with the most powerful show of congressional support since the days of the battle for the Civil Aeronautics Act of 1938. Under the law, the thirteen local service airlines and the routes formerly operated by Pioneer Airlines, now being flown by Continental Airlines will be made permanent. The carriers have 120 days to apply to the CAB for new and permanent certificates.

The drive to achieve permanency for the locals was spearheaded by John F. Floberg, Director of the Conference of Local Service Airlines, who said the new law gives the locals a chance to go to work. "There are no illusions in the industry that all problems are solved," Floberg said, "but at least we can move ahead in an atmosphere which permits us to seek solutions to the problems confronting us."

The victory achieved under Floberg's leadership was begun over a year ago by Floberg's predecessor, Donald Nyrop, now president of Northwest Airlines. The fight for permanent certification was started in response to interpretations of the findings of the Air Coordinating Committee's policy report to the President, which implied that since the local service carriers were comparatively highly subsidized, they should be phased out. Congress nearly passed a permanency bill last year, but ran out of time when adjournment was imminent in an election year. When similar measures were introduced this year, the only serious opposition came from CAB and the Department of Commerce. A solid CAB front against permanent certification was broken this year when Member Joseph P. Adams came out in favor of permanent certification along the lines of the present law.

The bill as passed by the House, authorized CAB to issue blanket permanent certificates to each of the carriers involved, while the Senate version, passed on April 20, authorized CAB to withhold permanent certification from up to 50% of a carrier's intermediate points, but ordered permanent certification for all terminal points. As finally agreed upon by the Congress, the Senate proviso was incorporated. Inclusion of this proviso is credited with greatly easing the passage of the bill.

Senate sponsors of the bill emphasized that the bill was intended to help local service carriers, not trunks, and did not in any way permanentize feeder routes being operated by trunk carriers.

Chief advantage accruing to the locals from the bill is economic. Because of their permanency, locals are in a far better position from a credit standpoint, since financing is now practicable over a long range period. Manufacturers have indicated their reawakened interest in developing a replacement airplane for the DC-3, since it is now certain that they will have a permanent market. As previously reported, no manufacturer was willing to take the multimillion dollar risk involved in developing a new airplane when there was no certainty the market would exist if the ship was successful.

Passage of the bill opens the door on a new era for the locals, an era which can and must be a brilliant one. Piedmont is determined that no supporter of the bill will ever rue his assistance.

PIEDMONT TO CARRY FIRST CLASS MAIL

EXPERIMENT BEGINS JUNE 1

Months of hard work will begin to pay off June 1 when Piedmont begins its participation in the first class mail experiment. Last of the locals to participate, Piedmont's service was held up because of the greater volume of mail we are expected to carry. Still under study on a system-wide basis, initial participation will be on a limited basis but still in greater volume than the other locals.

First class letter mail only will be carried, with the basic movements operating about 5-1/2 days per week. Saturday and Sunday will be our lightest days. Current estimates place poundage at about 1400 pounds per day, with poundage gradually increasing, loads permitting.

Westbound mail will terminate in SDF, CVG, or CMH, while all eastbound mail will originate in CVG, terminate in GSO, CLT, RDU, FAY, IMN, INT, TRI, ORF, RIC, and ROA. Trips to be utilized in the experiment include 23, 5, 27, 97, 83, 39, 54, 8, 96, 38, and 66.

Piedmont's entry into the first class mail experiment marks another great stride forward. The complexity of scheduling first class mail over our routes has delayed that entry but increased participation is now expected.

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