Stanley D. Weiss

First with Air Coach

During the 1950s, Stan Weiss, operator of a nonscheduled airline, contrived to fashion an organization that came very close to revolutionizing the entire U.S. airline industry. The government agency of the time, the Civil Aeronautics Board, the powerful lobbies of the established airlines, and even the Supreme Court itself, all combined to deny North American Airlines—Trans American Airlines at the time of its demise—the right to offer the American public the benefits of cheap air travel. As the first operator of cheap air services to the American public, Stan Weiss has a just claim to being called the innovator of coach fares, and as such he deserves an honorable place in airline history.

Thirty years after Stan Weiss and his partners had been regulated and legislated out of business, the principles for which they battled endlessly through the machinery of the regulatory agency and the courts were finally recognized as an essential feature of the American way of life, as legitimate principles that should be encouraged, not condemned. But Weiss was three decades ahead of his time and was pilloried for his actions. His was the last of the nonscheduled airlines to do any substantial business for a decade.

But his influence on the course of air transport was considerable. Although many years were to pass before this become evident, Stan Weiss and his associates had forced the authorities to review the basic purposes for which the original air transport regulations had been framed in 1938. This influence was particularly applicable to the manner in which passenger fares should be set. North Ameri-

Stan Weiss was one of the happy band of former airmen who sought to enter the airline business after World War II. He introduced coach fares to the American flying public, but his North American Airlines was thwarted by bureaucratic machinations that would seem ludicrous in the deregulated airline world of today.

can devised a system that was clearly superior to the out-of-date methods of the scheduled airlines. No one who was connected with the airline industry in the United States during the critical period of the mid 1950s has ever forgotten it, and many believe to this day that both the company and the man did more than any other to pioneer low fares. Neither has been given full credit for the remarkable achievement.

Stanley D. Weiss (pronounced Weese) was born on June 8, 1910, in Gotebo, Oklahoma, the son of the only pharmacist in town. He attended high school in Gotebo but then went to live with his mother in New York, where he received a degree in pharmacology at Columbia University and worked as a pharmacist, among other occupations, during the 1930s. He became interested in aviation, learned to fly in 1937, and by the outbreak of World War II had amassed several hundred hours of flying time.

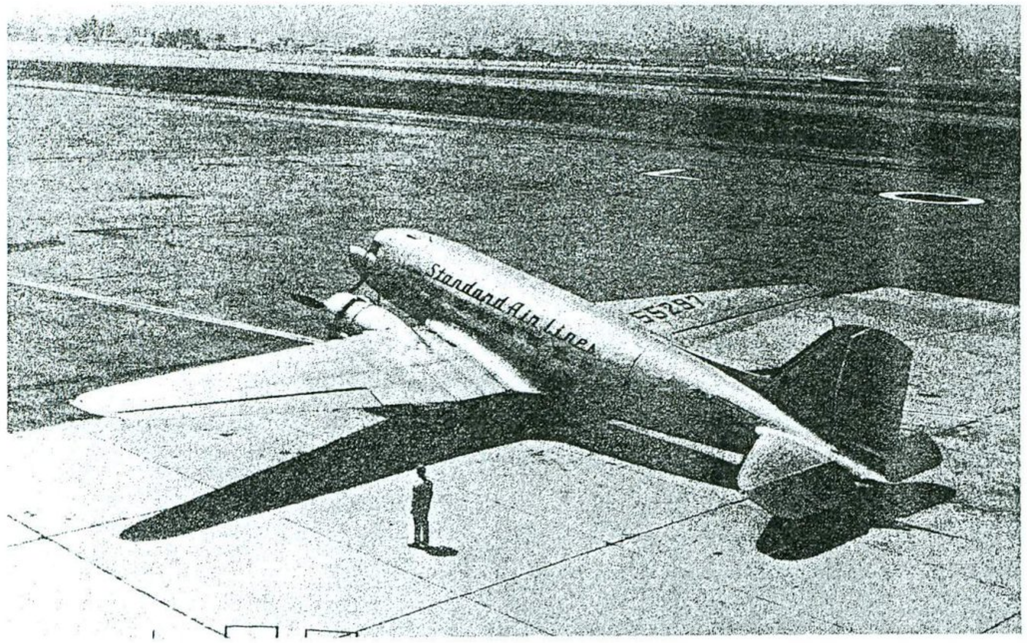
Immediately after the Pearl Harbor incident in 1941, he joined the Army Air Corps, which became the U.S. Air Force, and had a varied career. He was successively a flight instructor, a ferry pilot, and a member of that exclusive breed of "hump" pilots in the China-Burma-India (C.B.I.) theater, where he flew Curtiss C-46s,

Douglas C-54s, and Consolidated B-24s across the treacherous terrain of the southwest China frontier.

Already married, with two children, when the war ended, he vowed that he would never go back to rolling pills again. He and his family established their home at Long Beach, California, where he had last been stationed, and it was here that Stan Weiss began to think seriously about forming an airline. By this time he was not obliged, as some of the postwar aspiring airline promoters were, to depend heavily as a source of finance on the gratuity granted by the armed forces on discharge. He had been thrifty during his war service and had enhanced his bank balance with winnings at poker, a favorite pastime in the China theater and one at which he apparently excelled.

For his first venture he went into a precarious partnership with Colonel Charles Sherman, another airline entrepreneur who flitted across the nonscheduled airline scene, in one company or another, for several years after World War II. Together they founded a company rejoicing in the name of the Fireball Air Express, which, because they intended to carry air freight, seemed appropriate at the time. But before the company began to operate, they realized that many returning veterans were loitering around Long Beach Airport, seeking a ride eastward, and to carry them seemed only natural. Thus, on January 17, 1946, Stan Weiss operated his first DC-3—more precisely, a war-surplus C-47, converted for civilian use—from Long Beach to New York via Kansas City and Chicago. This date can, with some justification, be claimed as the inauguration day of air coach service in the United States, or, for that matter, anywhere in the world—although some British operators had undercut Imperial Airways during the 1930s.

Fireball Air Express may be said to have been born on December 4, 1945, when Weiss and Sherman made a down payment of $3,000 each to the Reconstruction Finance Corporation for two Douglas C-47s. On December 17 they signed a Certificate of Fictitious Firm Name—as the official jargon insisted—and on the following day borrowed $18,000 from the Bank of America in Long Beach, at the same time applying to the Civil Aeronautics Authority (C.A.A.) for registration as an air carrier. A month later, they borrowed a further $32,000 from the Cherry/Anaheim Branch of the Bank, mainly because the manager "liked the cut of Stan's uni-



This rare picture of a Standard Air Lines Douglas C-47 is illustrative of the way in which the nonscheduled industry started—with war-surplus aircraft, purchased cheaply and operated economically, without frills. Only after decades of struggle against the established hierarchy were the nonskeds able to demonstrate their value in a competitive environment.

form." He must also have liked the cut of Stan's proposition, which was to make airline history.

In 1946 the fate-tempting name of the airline had been changed to the more demure Standard Air Lines, in keeping with the unplanned change from air freight to passenger service, and it was under this name that Weiss and James Fischgrund (Sherman was no longer a partner) obtained a Letter of Registration from the Civil Aeronautics Board (C.A.B) as a Large Irregular Carrier.

Standard was not the only company in the transcontinental nonscheduled airline business. There were several others, most of which quickly ceased operations as soon as something went wrong—normally the inability to attract a steady flow of passengers or to keep the aircraft flying by a proper maintenance schedule. One of them, however, Viking Air Lines, was a formidable competitor, flying DC-3s on the same transcontinental route and with

connections to Miami. Viking had also been founded in 1945, by Ross R. Hart and Jack B. Lewin, and was based at the Lockheed Air Terminal at Burbank. Charging a transcontinental fare of only $99.00, both airlines were beginning to tap a new passenger market—the nonbusiness people who could not normally afford the fares being charged by all the scheduled airlines. Fares were rigidly set by the C.A.B. according to a mileage formula, which did not vary among the domestic trunk carriers that were the fortunate possessors of the grandfather certificates handed out in 1938. Competition in fares did not exist, in spite of the fact that the C.A.B. was specifically charged with promoting it.

Then in 1948 the board took its first action to limit the activities of the precocious newcomers and applied what became known as the 3 and 8 Rule. This meant that a nonscheduled Large Irregular airline was permitted to fly only eight round-trip flights a month between any pair of cities in the U.S. and only three on certain high-density routes—that is, all the best routes coveted by the scheduled operators, some of them monopolies or near monopolies.

Neither Standard nor Viking flew strictly within the 3 and 8 Rule, and in 1949 the two companies merged to form a stronger airline, with more equipment and greater financial resources. Stan Weiss and his then partners devised an ingenious stratagem to evade the intentions of the C.A.B. restrictions without actually breaking the law.

Early in 1949, Standard and Viking formed the North American Airlines agency. This was a ticketing organization that sold the transcontinental air coach service to the public, although it was not registered as an airline. The operating certificates, as Irregular Carriers, were still held by the original two companies. Weiss, Fischgrund, Lewin, and Hart then acquired other Irregular Carrier certificates: those of Twentieth Century Airlines, formed by Edward McAndrews; Trans-American Airways, formed by Mauri Swidler; Trans-National Airlines; and Hemisphere Air Transport.

The combined fleet grew to a total of fourteen Douglas DC-3s and a DC-4, initially leased late in 1949 from Stan Weiss's good friend and fellow pioneer Robert W. Prescott, founder of the Flying Tiger Line, until 1986 the preeminent all-cargo airline. Flying resumed, accompanied by some organized promotion, on a route from Los Angeles to New York via Alburquerque, Kansas City, and Chicago. The DC-3s, fitted with twenty-eight austere seats, could not

compete in comfort or speed with the pressurized Constellations and DC-6s of the scheduled trunk lines such as American and T.W.A., but the North American fare was only $99.00 one way, substantially lower than those of the trunk carriers. The public had a choice: higher fares and comparative luxury or lower fares without the frills. To the chagrin of the established airlines, railroads, and long-distance bus lines, the public flocked to North American Airlines.

The essential feature of the service was that it combined the individual authorities of the member companies in the North American group, so that, by simple arithmetic, even under the 3 and 8 Rule, they could offer a daily service. Eight round-trip flights a month need be multiplied only by four to produce thirty-two, ample for even the longer months. By cutting out the costly amenities and carefully matching schedules to demand, North American was able to sustain its bargain fares and still make a profit—at a time when the scheduled airlines were charging much higher fares but wasting half their product; that is, by flying with only about 55 percent of the seats actually occupied. At that time, moreover, the airlines were still receiving federal subsidies, in addition to air mail payments, which cushioned their losses.

The curious paradox was that the C.A.B. was party to a subsidy to the privileged air travelers, most of them businessmen and the wealthy, who could afford to fly. Those in the lower-income groups, on the other hand, seemed well pleased with North American's style and began to patronize the new service. Because of the tight scheduling and the limited capacity, customers could not always be accommodated on the days they preferred to fly, but at $99.00 from the West Coast to New York, they did not mind waiting a day or two. The alternative was to pay $159.00 standard fare by the scheduled airlines, or $110.00 by their night coach—the Red-Eye Specials as they became known.

North American could guarantee that its aircraft were maintained and flown as skillfully and professionally as those of its richer rivals. Indeed, throughout the history of the bitter litigation that was to follow, no criticism was ever leveled at North American on the grounds of poor maintenance or operating procedures or of not keeping to the strictest safety standards. Nevertheless, this did not prevent the appearance of certain scurrilous articles in the press, possibly influenced by the weight of Establishment pressure.

Stan Weiss and his partners were so successful that they had

to obtain larger aircraft. By the mid 1950s, North American was a predominantly four-engined airline. Later, in 1955, Weiss established rewarding business relations with Captain Eddie Rickenbacker, of World War I fame, then the feisty president of Eastern Air Lines, to purchase the entire fleet of DC-4s owned by Eastern. Rickenbacker, a businessman through and through, insisted that if Weiss purchased the aircraft, he would also have to buy $1 million worth of spare parts. Weiss agreed, figuring that the full value of the fleet far exceeded whatever the spares would cost.

No sooner had the deal been signed when Eastern realized that it needed some of the DC-4s back because of late delivery of the replacement aircraft. It therefore needed the spare parts back as well, and, to the accompaniment of much profanity, Rickenbacker had to purchase back the exact same spare parts that he had just unloaded. Much to Rickenbacker's surprise, Weiss sold the spare parts back for exactly what he had paid for them, saying "I didn't need them in the first place and was happy with the deal as it stood."

Rickenbacker never forgot Weiss's business acumen or his honesty. Many years later he offered Weiss the opportunity to succeed him as president of Eastern Air Lines. Weiss did not elect to accept this most flattering offer because of conflicting demands on his time and energy. But to imagine Eastern under the direction of Stan Weiss makes an interesting speculation.

As the four-engined DC-4s were added, North American disposed of its DC-3s. Two of these were sold in 1951 to Ken Friedkin, who had founded Friedkin Aeronautics, which became Pacific Southwest Airlines (P.S.A.). This later developed into the famous California intrastate airline that proved, in a different operating environment, that low fares could still yield profits if the airline was operated efficiently. Weiss sold the DC-3s for $90,000 each on a handshake. Shortly thereafter, the Korean War started and the market price for the DC-3s shot up to $400,000 each. Friedkin became worried about the validity of a contract based on a handshake and was mightily relieved when Stan Weiss never wavered from their oral agreement, delivering the aircraft as and when promised.

Turning from matters of equipment to matters of public policy and concern, the period from about 1949, when North American introduced its first DC-4, until its eventual demise was stormy, to put

it mildly. In 1949, faced with what they believed to be a determined effort by the C.A.B. to eliminate them entirely from the air transport field, the nonscheduled carriers appealed for justice, and hearings were held before the Senate Interstate and Foreign Commerce Committee, under the chairmanship of Senator Edwin Johnson. This led to a further review by the Select Committee on Small Business, under the chairmanship of Senator John Sparkman.

In its report issued on July 10, 1951, the committee noted that the nonskeds had managed to survive "in spite of constant harassment: the C.A.B.'s ever-narrowing interpretation of its regulations designed to limit them almost entirely to noncommon carrier operations; vigorous enforcement activities and regulatory actions which will, if unchecked, inevitably eliminate them within a year or two; and a campaign possibly inspired by major airlines to discredit them in the public mind."

Such testimony, from such an impeccable source, hushed criticism, and the C.A.B. retreated into its shell for a while. Temporarily unleashed, North American Airlines did so well that, in 1953, in the famous Denver Service Case—the statutory machinery under which the C.A.B. distributed scheduled airspace—it applied to operate a Los Angeles–Denver–Kansas City–Chicago route at three cents a mile plus $2.00 a ticket. This would have worked out to less than $60.00 one way from Los Angeles to Chicago. When the C.A.B. decision was handed down, all the big transcontinental airlines were granted aditional routes, and both Continental Airlines and Western Air Lines were given a share of this lucrative pie. But the board found that North American was "unfit, unwilling, and unable" to perform the services, because of "knowing and wilful" violations of the board's Economic Regulations. This is particularly noteworthy, for by this time North American had surpassed some of the principal trunk airlines in size, measured in annual revenue passenger-miles flown.

The decision caused controversy among the nonscheduled airlines and, indeed, among many sections of an interested public as well. North American Airlines had proved beyond any shadow of doubt that it was fit, willing, and able to operate. It was also prepared to do so with its own money, without subsidy or support of any kind. And it offered to lower its fares so that many more people could afford to fly. In retrospect, the C.A.B.'s decision seems to have been extraordinary.

The reason for such violations seemed to be more that the C.A.B. had been affronted by someone exposing an injustice, even possibly an infringement of its own mandate. The terms of the original Civil Aeronautics Act did not specifically preclude the entry of additional airlines into the U.S. airline industry. Yet by mutual agreement, the C.A.B., with vigorous support from the Air Transport Association, representing the certificated airlines, and tacit approval from other government departments, appeared to follow an unwritten law that the only organizations which could operate airlines were those nominated in 1938 under the grandfather rights certificates. Many years later, the Freedom of Entry issue was to be a cornerstone of the principles that shaped the Airline Deregulation Act of 1978.

Nevertheless, North American continued to operate under its ingenious system. It cheekily applied for further route extensions under existing rules, thus adding to the growing confusion in the C.A.B., which must have been conscious of the question of ethics, when the Select Committee on Small Business in the Senate recommended that the 3 and 8 rule be changed to one permitting fourteen flights a month.

There now seemed to be no stopping North American. In 1954, with a fleet of two DC-3s and seven DC-4s, it flew almost 330 million passenger-miles, carrying almost 200,000 passengers. The passenger-mile figure was larger than that of any of the three smallest domestic trunk airlines—Western, Continental, and Northeast—owing entirely to the $99.00 fare. Profits were realized because North American was able to fill 85 percent of its seats, an unprecedented percentage in the stereotyped world of the scheduled carriers.

In December 1954, North American took the plunge and ordered seven new Douglas DC-6B pressurized aircraft, each fitted with 102 seats, so as to compete on equal terms with the big airlines. Once again, a loan was obtained from the Bank of America, which must have felt that in Stan Weiss it was investing well. The marketing department at Douglas was in a quandary, for it was under pressure from certain quarters not to sell airplanes to this upstart airline. Donald Douglas, Sr., gave strict instructions: "If Stan Weiss has the money, you sell him the airplanes."

On May 1, 1955, to the consternation of United, T.W.A., and American, North American Airlines inaugurated DC-6B transcontinental service, charging $160.00 round trip as before, but reducing

the one-way fare to $88.00. Flight times were 7 hours 55 minutes eastbound, and 8 hours 55 minutes westbound. North American utilized its aircraft at the rate of thirteen flying hours a day, whereas the scheduled airlines felt they were doing well to achieve eight. At the time, this was a daily utilization record for any airline operating with Douglas equipment.

North American's literature contained an interesting comparison of travel costs coast to coast, taking into account the extra costs of tax on the tickets, the cost of food and tips, and the cost of time at $10.00 a day. This made a valid argument to support the claim that it provided substantial savings over first-class air fares and pullman trains and also offered comfortable savings over air coach, rail coach, and even bus travel.

The scheduled airlines were forced to take drastic steps, and the three transcontinental airlines suddenly found ways and means to reduce fares. Their excursion packages, however, contained certain irritating restrictions, in that they were valid for only thirty days and could be used only on certain flights. (Exactly the same situation arose almost thirty years later when, after deregulation, Continental Airlines set new lower fares, on an unrestricted basis, against those of its competitors, which were complicated by various kinds of ifs and buts.)

Within two months, the C.A.B. came to the rescue of the desperate airlines, which visualized the erosion of their cherished heritage. On July 1, 1955, the board revoked N.A.A.'s various certificates for what it called "serious and wilful violations" of the economic regulations and ordered Stan Weiss and his partners in effrontery to cease "unlawful operations" from September 1 of that year. The scheduled airlines, of course, applauded this action, and R. A. Fitzgerald, of National Airlines, expressed the consensus by describing N.A.A. as "professional violators."

In making its judgment, the C.A.B. appears to have forgotten—or deliberately ignored—one of the most important goals of the act of 1938, which was to promote air travel. It could have met the new situation by other means. It could have increased payments to the scheduled airlines, for example, if it could have been proved that their operations were efficient yet unprofitable, or it could have relieved the scheduled airlines from having to operate unprofitable routes, a course which it adopted with respect to Local Service operations some years later. The C.A.B. seemed, in fact,

by choosing the most drastic course, to be advocating the cause of those it was only supposed to regulate. Indeed, a member of the board, Joseph P. Adams, in a minority opinion, condemned the majority for refusing even to meet the carrier's (N.A.A.'s) officers or to consider some penalty other than the most drastic, the revocation of its Letter of Registration.

The legal battle intensified. On July 29, the C.A.B. stayed its revocation of the N.A.A. license, pending review by a U.S. Court of Appeals. Meanwhile, the unrepentant airline reported a gain in traffic for the month of June of 47 percent over traffic in June of the previous year. On August 24, N.A.A. formally appealed to the U.S. Court of Appeals, D.C. Circuit, to stay the cease-and-desist portion of the C.A.B. order and revealed its position when James Fischgrund stated at the hearing that N.A.A. would be forced to disband if the stay was not granted. On September 5, the C.A.B. denied North American's application to enter the New York–Chicago market, although, by any criterion, there seemed to be plenty of room for another competitor on this much-traveled segment. On October 4, the U.S. Court of Appeals, 9th Circuit, upheld North American Aviation's claim that North American Airlines should not be allowed to trade under a name that was almost indistinguishable from the manufacturer's.

Throwing caution to the winds, and with some justification, believing that the weight of public opinion, reflected through its legislators, would eventually see that justice was done, North American played another card. On December 8, 1955, it asked the C.A.B. for a three-year exemption to operate low-cost transatlantic coach services, proposing two daily round-trip services at fares of $125.00 from New York to Shannon, Ireland, and $140.00 to London. These were 43 percent less than the tourist fares then in force.

In its application, N.A.A. stated that DC-6Bs would be used and quoted its U.S. transcontinental experience. There could be absolutely no doubt that it was "fit, willing, and able." As to the legality, it admitted that its operating authority had been revoked but that it was appealing to the courts and was continuing to operate until a final decision was handed down. The C.A.B. could hardly claim that there was insufficient traffic to justify another U.S. operator, although admitting another operator may have led to some problems with bilateral traffic rights with the countries of Europe. The North Atlantic market was booming, for even the schedule of

tourist fares, introduced in 1952 and 43 percent higher than that proposed by N.A.A., had sounded the death knell for transatlantic passenger shipping. Years later, after passage of the 1978 Airline Deregulation Act—and even earlier—the number of U.S. airlines plying the route had multiplied considerably, with almost every trunk airline participating.

But predictably, in January 1956—within a month after its submission—the C.A.B. turned down North American's application on the grounds that the issues were too complex to be decided by the exemption process. This, in retrospect, was an extraordinary claim, for many complex issues and extremely complicated route cases were continually resolved by the hard-working staff of the C.A.B. The board also stated that "a very serious question remains unresolved" as to N.A.A.'s qualifications, in view of the fact that the airline had been found guilty of violations and its operating authority had been revoked. Stan Weiss and his partners had heard that old tune before.

This was far from being a case of protecting the unsuspecting public against some entrepreneur who was trying to make a quick buck. Stan Weiss had a genuine desire to become a legitimate scheduled operator, accepting the risks and the obligations which that status would confer. As to the public interest, a virtue so often quoted by the C.A.B. in other contexts, the public had given its blessing to North American Airlines. In 1955 N.A.A. carried almost 275,000 passengers, an increase of 40 percent over the previous year. Its fleet consisted of seven DC-4s and two DC-6Bs, and five more of the latter were on order.

In 1955 North American had made about $1 million profit on $15 million revenue, a better return on investment than was realized by most of the certificated airlines. Yet North American's success had been built on substantially lower fares than the C.A.B.'s, and there was a clear message implicit in these facts, which was obvious to all but closed minds. As North American stressed, its clientele consisted almost entirely of first-time air travelers, and it was drawing traffic, not from other airlines, but from the bus lines and the railroads.

In February 1956, when N.A.A. was gambling on its future existence and still awaiting delivery of additional new DC-6Bs from Douglas, the chairman of the House Commerce Transportation Sub-Committee commented that he was "impressed by the objectives, but not with the methods" of North American, which, on March 12, said it was prepared to back up charges that the C.A.B. had been "a willing party to a callous, calculated conspiracy" to ostracize new trunk-line carriers. Stan Weiss carefully pointed out that his charges were nonpolitical, aimed at Republican and Democrat alike, and that both had hatched their conspiracy under "constant prodding and behind-the-scenes pressures" from "monopoly-minded trunk airlines."

He claimed that "the C.A.B. has sought to regulate us out of business" and that "the more the public welcomed and accepted our original concept of efficient, reliable, low-cost air transportation, the greater were the regulatory handicaps imposed upon our growth." He told the subcommittee that C.A.B. Chairman Ross Rizley had admitted that the board approved rates and other "monopoly agreements" made by the scheduled airlines and that it had "no standard yardstick" for measuring these agreements. Furthermore, it did not regularly consult with the Justice Department on the antitrust aspects of the agreement. Weiss's counsel, Hardy Maclay, observed that the efforts of the C.A.B. to increase competition had never been responsible for lower rates and that, as the chairman of the subcommittee recognized, such competition had been limited to service factors.

While the public was clamoring for lower fares—which North American Airlines had demonstrated were perfectly feasible—the C.A.B. would argue interminably about a minor modification to a multisegment route, or the seat pitch allowed, or the standard of meal service permitted, wading through enormous stacks of testimony in the process. Reminiscent of debate by the International Air Transport Association (IATA) on the permissible ingredients of a sandwich, the prognostications of the C.A.B. were often reminiscent of the mediaeval philosophers' arguments about the number of angels that could dance on the head of a pin.

The C.A.B. also alleged that in international route decisions it had to capitulate to IATA rate agreements because of "tremendous pressures from our own carriers and foreign airlines and governments." IATA was quite blatantly a cartel, setting air fares at rates decided by the member airlines, including the flag carriers of the United States. North American countered this excuse by applying, on April 30, 1956, for exemption to fly to Luxembourg, a small country in Europe whose air policy did not include IATA member-

ship, which welcomed foreign airlines, and which was geographically situated to tap the entire northwest European market. In fact, the Icelandic airline, the pioneer of low fares across the North Atlantic, has successfully used the Luxembourg hub-gateway for more than two decades in recent times.

Both the C.A.B. and the U.S. State Department criticized North American for conducting unilateral negotiations. This seemed to have been a bizarre commentary, as there were many precedents for airlines to open discussions without prior consultation with Washington. Of course, by these protracted wranglings the issue of low fares was continually obscured and evaded.

The harassment of North American continued. Also on April 30, the Supreme Court denied the petition of North American to reverse the lower court's decision on the name issue, and N.A.A. promptly changed its name, on May 12, 1956, to Trans American Airlines (T.A.A.). Shortly thereafter, on July 12, the use of the word *American* was upheld by the U.S. Court of Appeals. For any one company to claim exclusively for the use of that evocative word would have been preposterous.

On June 11, Trans American amended its still-pending application for exemption. It offered to discontinue its proposed service if the C.A.B. could find that any competitor was injured thereby. Furthermore, it agreed to charge "such rates as the Board found proper." This put the C.A.B. in an extremely delicate position. To quote Stan Weiss, "How could they say that we should charge more when we were making money on what we were doing?"

But the sands were running out. Casting logic aside, the C.A.B. rejected T.A.A.'s application on July 29, and its Office of Compliance opened enforcement proceedings. In December 1956, the U.S. Court of Appeals upheld the C.A.B. order to ground Stan Weiss and his recalcitrant and unrepentant airline. After repeated stays of execution, through the T.A.A. lawyers' use of every possible legal maneuver, amounting almost to a filibuster, the last of the Large Irregular Carriers closed up shop on January 19, 1957, the last day of the term of the C.A.B.'s authorization.

In one last desperate appeal for justice, on March 12, 1957, Trans American Airlines asked the Supreme Court to review the decision of the U.S. Court of Appeals to uphold the C.A.B.'s revocation action against it. On April 23 of the same year the Supreme Court denied the appeal.

North American/Trans American was finished. Because, under the law, the decision of the Supreme Court left it only forty-five days to liquidate its assets, it leased its fleet of seven DC-6Bs to Eastern Air Lines (five were already on hand, and two more were about to be delivered). By this action, the four partners, Weiss, Fischgrund, Lewin, and Hart, all made a great deal of money over and above their earnings while the airline was operating.

The sighs of relief in Washington, particularly at the headquarters of the Air Transport Association and at the C.A.B., could have been heard in Baltimore. But the issues remained and were to haunt the regulatory body and the trade association for decades to follow. Were the regulations adopted without fair hearings? Were the regulations deliberately framed so as to make nonscheduled airline operations impossible? Was the public interest protected? By subsequent legislation, through the gradual liberalization of what became the Supplemental Airlines and culminating in the Airline Deregulation Act of 1978, the answers to these fundamental questions have come down emphatically on the side of Stan Weiss and his partners. The influence of the A.T.A. on the course of airline affairs has diminished almost to insignificance, and the airlines are no longer subject to the whims of the Gang of Five who used to preside at the C.A.B.

Unlike some of the visionaries of airline progress whose efforts ended in complete failure and disillusionment, not to mention financial hardship, Stanley Weiss was not a man to cry over spilt milk. He didn't need to. During the ascendancy of North American Airlines he and his partners had been in the 90 percent tax bracket, all earned, in the real sense of that often misused word, by bringing the benefits of air travel to a public that had been deprived of them. And so, denied the right to operate aircraft, he turned to an occupation that had until then only been a supplementary activity: he went into the business of trading and leasing aircraft.

As Twentieth Century Aircraft, Stan Weiss bought, sold, and leased many aircraft during the late 1950s and into the 1970s. Having first taken advantage during the mid 1950s of a law that did not allow banks to go into leasing, Weiss and other associates bought Super Constellations from Lockheed and leased them to Seaboard World Airlines, then one of the largest air freight airlines in the world. Additionally, through other associated leasing companies in New York, he and his partners completed what is believed to have

been the first sale-leaseback of airline equipment in the history of air transport, the aforementioned DC-4 deal.

Between 1958 and 1960, Twentieth Century Airlines, like a determined terrier that would not let go of the bulldog, fulfilled its destiny as a contract carrier on assignments that were free of C.A.B., A.T.A., or other encroachment. It carried military personnel all over the world, with DC-6Bs purchased from American Airlines and the Dutch airline, K.L.M., together with Super Constellations purchased from Lockheed and the Australian airline, QANTAS. In a wave of misplaced optimism, it petitioned for a Supplementary Certificate when Public Law 87-528, enacted July 10, 1962, conferred the status of legitimacy on those airlines that had until then been the pariahs and outcasts of the industry. But Stan Weiss was persona non grata in the corridors of airline power in Washington, and his was a lost cause.

Stan Weiss's semiretirement began at the age of forty-seven, as a direct result of the cease-and-desist order issued against his airline. The order might well have been termed a cease-and-desist order against the American public for having the effrontery to recognize a real bargain when they saw one. Eventually the public, through its legislators, rebelled. The C.A.B. was itself destroyed, mourned by some but certainly not by the old-timers of the nonscheduled airlines, who were, without stretching the analogy too far, martyrs to a cause.

Stan now lives quietly at home in Long Beach. In the material sense he is comfortable, with many investments and considerable assets. He has remained active in aviation and in his personal leisure pursuits, among which is serving as voluntary consultant to a host of friends. Many would never have recovered from the understandable disillusionment and disenchantment, together with the complex emotions generated by the loss of the airline of which its creator was justly proud. But he did not brood over the injustice that he felt had been enacted through manipulation in high places. Neither did he allow the C.A.B.'s implication that what he had done was dishonorable to interfere with his unending love affair with aviation. This continued in his active life as broker, investor, and financier and in recreational and business flying well into the 1970s.

All the activity that was self-righteously regarded as dastardly practice in the 1950s is now perfectly legal, and no one

would dream of questioning it. Stan Weiss had had to live with a sense of injustice for thirty years. But by an odd twist of fate, Twentieth Century Aircraft, legitimate descendant of a much-maligned Irregular Carrier, still exists. The sun had, however, irrevocably set on the Civil Aeronautics Board, which ceased to exist on December 31, 1984.