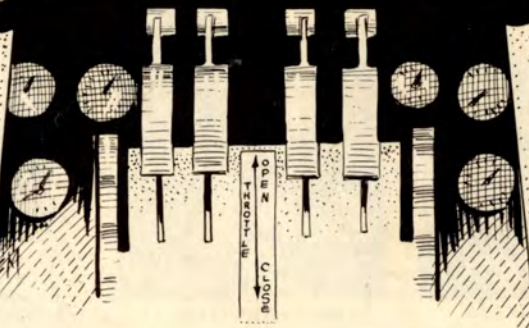


OPEN THE THROTTLE



The
STORY
of



CHICAGO & SOUTHERN

★ *Air Lines* · INC ★

58

CHICAGO & SOUTHERN OFFICIALS



SIDNEY A. STEWART,
President



CARLETON PUTNAM,
Chairman of the Board



R. S. MAURER,
*Vice President, Secretary
and General Counsel*



W. T. ARTHUR,
Vice President—Operations



JUNIUS H. COOPER,
Vice President—Finance



T. F. HAMBLETON,
Treasurer



W. T. BEEBE,
Personnel Director



T. M. MILLER,
*General Traffic and
Sales Manager*



Foreword

The drama of aviation was etched by the whirling propeller blades of two airplanes under a bright California sun on the last day of July, 1950.

On the vast Lockheed airport at Burbank, a giant Lockheed Constellation taxied forward from its hanger, while coming toward it at slow speed was the forerunner of later and more modern aircraft, a tiny Lockheed Electra.

As the two planes eased to a halt facing each other, a group of men came forward and aviation history of the past and present witnessed the delivery of the first new luxury-type model L-649A Constellation airliner to wear the green and yellow colors of Chicago & Southern Air Lines.

After a gap of 10 years, Lockheed equipment once again became the backbone of the famed Valley Level Route. The quartet of men watching the smaller plane nestle under the wing of her brand-new sister ship, the giant Constellation, were Sidney A. Stewart, President of Chicago & Southern, William T. Arthur, Vice President—Operations, C. & S., and Robert Gross, President, and Carl B. Squier, Vice President of Sales, Lockheed Aircraft Corp.

The event was the official presentation for delivery and acceptance of the first Constellation for Chicago & Southern, but to the small group of men it held far-reaching significance.

To Sidney Stewart and William T. Arthur it meant the ability to offer their passengers the newest, fastest and best service. It meant the future chapter in the history of an airline already well-known for superb service, linking the Americas from Chicago and Detroit on the north to Caracas, Venezuela, on the south.

To Robert Gross it meant that his company had again joined a long-standing friend for it was he who had talked with Carleton Putnam 17 years before and asked the question that had led to this moment: "Why don't you start an airline?"

The following is the story of the airline that Carleton Putnam did start—between San Francisco and Los Angeles in May, 1933. Putnam is now Chairman of the Board of Chicago & Southern, having resigned the presidency in 1948.

The Story of

CHICAGO & SOUTHERN AIR LINES

One warm morning in 1933, in the offices of the Lockheed Aircraft Corp. in Burbank, Calif., the company's president, Robert E. Gross, was talking with a young flyer just out of law school who was looking for advice on a career in aviation.

Although workmen were busy in the factory shops nearby, Lockheed had yet to complete its first commercial transport aircraft and so the two men had something in common. For both the future was still uncharted, for both it seemed to hold much of doubt and of opportunity.

But Gross had a factory while Carleton Putnam, with whom he talked, had only his private, six-passenger, single-engined airplane parked in the lot outside.

As they conversed, a door opened and the company's secretary, Cyril Chappellet, walked in and joined the discussion. As if voicing an idea that had just struck him, Gross turned to Chappellet and said:

"By the way, Cyril, what about that 'milk run' up the coast from Los Angeles to San Francisco through Santa Barbara and Monterey? You once thought of starting a line through that country. What do you think about Putnam having a try at it?"

Chappellet glanced out the window at Putnam's old Bellanca plane, then his eyes twinkled humorously as they looked beyond over the mountains to the northwest.

"Well," he said, "why not? You can use my airline ticket agency downtown for an office if you like. I have a man down there who might be willing to help you develop traffic."

Putnam didn't take long to reach a decision. Airlines were already operating over most of the country's desirable routes. Here, at least, was a possible last chance. Within a day or two he had made arrangements with Chappellet's ticket office to establish local ticket agents along the seaboard route to San Francisco and was off to Chicago in search of another six-passenger Bellanca



One of the six-passenger, single-engined Bellancas operated by Pacific Seaboard Air Lines

and a spare engine to begin one of the most adventurous stories in American aviation.

Buys Plane from Wayne King

Putnam found his second Bellanca in Chicago, bought it second-hand from Wayne King, the orchestra leader, and flew it back over the Rockies to Los Angeles. On June 25, 1933, the new line made its first flight from Los Angeles to San Francisco by way of Santa Barbara, Santa Maria, Paso Robles, Salinas and Monterey.

Many air miles lie between those shoestring beginnings along the California coast in 1933 and the present-day international route extending from Chicago to Caracas, Venezuela. Bisecting the heart of America with its strategic north-south routes, giant Constellations link the industrial centers of the Great Lakes region with the colorful playgrounds of the Caribbean and the rich oil country of Venezuela. Detroit, Chicago and Kansas City are within commuting distance from New Orleans, Memphis and Houston.

How all this happened in 17 short years is a saga of American business. The success of this rugged, progressive airline can be attributed in part to a combination of ingenuity and plenty of hard work, from the president down to the porters. The ability

to look far into the future, while profiting by the experience of yesterday, and seizing opportunities as they arose contributed to the red-blooded vitality of the company.

The same spirit which led the pioneers across the plains westward in the early years of American progress led Carleton Putnam through the first struggling years of building an airline. Facing hardships with grim determination and backed by a handful of faithful, hardworking employees, he operated for about a year in California, performing some 250,000 miles of day and night flying along the mountainous west coast. The company was known as Pacific Seaboard Air Lines in those days and attracted no national attention. But it was during this period of obscure effort and seemingly hopeless struggle that the foundations of the present organization were laid.

Putnam Grasps New Opportunity

Then, suddenly, one February morning in 1934, opportunity struck. Putnam tells the story this way:

"I was flying east to Washington on United Air Lines where I was going to make an effort to persuade the Post Office Department to establish a mail service along our route. We had been forced to land by weather in Rock Springs, Wyo., and had spent the night at a hotel. When I came down for breakfast in the morning I picked up the local paper and found nothing but headlines about the cancellation of all the country's air mail contracts the day before. I knew then that our chance had come."

The next few months were full of suspense. It was necessary for the Government to re-advertise every mail route previously in existence and to call for bids. Officials of the large lines, operating the major routes, were distraught. And in many small offices throughout the land lights burned late as operators who had worked for years without any mail revenue calculated their chances in a new deal for aviation.

Among the latter were the executives of Pacific Seaboard Air Lines. And when the first group of bids was opened in Washington, their bid of 17½ cents a mile for the Chicago-New Orleans route was the lowest of any received by the Post Office Depart-

ment. But to men who had been operating an airline at a loss for many months, 17½ cents a mile of additional revenue seemed like a lot of money!

Plans were made at once to transfer all of the company's flying and shop equipment and its personnel from California to the midsouth. Hectic days followed. Only a few weeks were available in which to establish headquarters at Memphis, Tenn., sign gasoline contracts, lease emergency landing fields and arrange the thousand details of a new airline operation.

Day for First Flight Arrives

Finally the day arrived for the first scheduled flight. Much depended upon it. The Bellancas were made ready at both Chicago and New Orleans and mechanics were checking the engines at sunrise.

In Memphis, by midmorning, a reception committee of postmasters and leading citizens were on hand at the airport to witness the arrival and departure of the first plane. Again, let Putnam describe what occurred:

"The first ship was due in from New Orleans, via Jackson,

The Stinson "T" eight-passenger, three-engined aircraft operated by Chicago & Southern from February, 1935 to May, 1936



Miss., at noon. Noon came. Everyone was watching the sky to the south with interest, waiting for the sound of an airplane engine. I lit a cigarette and waited, too. Nothing happened. The stillness was acute. Twelve-five . . . 12:15 . . . 12:20. Of course we had no radio in the planes in 1934, and no one knew except by telegraph what was going on. The ship had left New Orleans on time. That was the only information we had.

"It was a hot day, and by 12:30 I was perspiring freely. So was everyone else. I remember thinking that downstairs the flowers must be fading as rapidly as the smiles on the faces of the Reception Committee. Polite conversation lagged.

"A few minutes later the Operations Manager picked up the telephone and called Jackson. I watched his face as he got the connection. It was a mask. Then he inquired, Had the plane left Jackson on schedule? His expression suddenly became concerned. The plane had not left Jackson, in fact, it had not even arrived.

"Well, there was nothing to do but send the Reception Committee home. It was too bad, of course. But the remainder of the route was operating beautifully. Nothing to worry about, we said. The Memphis mail would go north to Chicago in a spare ship that was already warming up. So the Reception Committee left. I don't remember what happened to the flowers.

"The New Orleans plane? The Coast Guard found it that night in the swamps on the north shore of Lake Pontchartrain. Everybody aboard was safe, after a day's anxious waiting for rescue. You see, it was a ship we had bought second-hand just before the service started. Whoever overhauled the engine last had left a cotter key out of the timing gears, so its single engine just stopped after it crossed the lake. But we learned something from that experience. After that, we always overhauled our own engines."

Failure is often more dramatic and sometimes, as in this case, more amusing than success. So Putnam enjoys telling the story of the first flight of Chicago & Southern Air Lines. He can afford to speak of it now, for the days of single-engined, sloppily overhauled airplanes are a memory.



The Lockheed Electra, the fast twin-engined plane which did so much to build public confidence in air transport throughout the world

Name Changed to Chicago & Southern Air Lines

The history of Chicago & Southern Air Lines after that June day in 1934 is a record of patient development and success. There were lean years financially, but progress was constant.

On July 13, 1934, passenger service was added to the Chicago-New Orleans route. However, Putnam knew that to grow the line must expand with new routes, additional service and better equipment.

In January, 1935, the company name was legally changed from Pacific Seaboard Air Lines to Chicago & Southern Air Lines. The following month the company switched to Stinson aircraft and added another Chicago-St. Louis daily flight.

In May of 1940, still striving to provide more and better service along the fast-growing Mississippi Valley Route, the company again changed equipment, this time to the Douglas DC-3. The DC-3s replaced the fast, sturdy Lockheed Electras which had been in service since 1936.

Meantime Federal laws and regulations were changing as the industry grew. Mail rates, so essential to the young transport industry, were naturally in a state of flux as better equipment increased the cost of operations. The strides made by this infant but lusty public utility were almost bewildering to Congress.

The Post Office Department, the Department of Commerce,

the Interstate Commerce Commission — all exercised the often conflicting powers of Federal regulation which were destined in 1938 to be brought together and lodged in a single Government agency, the Civil Aeronautics Authority. Through these years of confused Government policy, Chicago & Southern steered a difficult but steady course.

In December, 1940, the company was awarded a Civil Aeronautics certificate to inaugurate service between Memphis and Houston, Texas, via Shreveport, La. This service was begun on March 1, 1941.

As new routes were granted, new applications were filed for other routes. The little line started in California less than a decade before was on the move. The handful of employees had become an organization of more than 250.



The Douglas DC-3, still a part of Chicago & Southern's Dixieliner fleet

C & S Joins War Effort

Then came Dec. 7, 1941.

Chicago & Southern, like the other U. S. airlines, quickly joined the war effort. The immediate goal was victory. Civilian plans and objectives were shoved to secondary positions.

On Dec. 11, 1941, the company set up a modification center in order to quickly modify certain Army combat aircraft for immediate use in war zones. Luxury C & S airliners were requisitioned by the Army Air Forces and converted into cargo planes or troop carrier transports. C & S gave up six of its fleet of DC-3 Dixieliners to the service. These were prepared for war work by the C & S modification center in Memphis. In conjunction with other airlines the company operated a cargo route, transporting troops and important supplies to war zones.

A training program was established where pilots, radio operators, radio mechanics and line mechanics were trained for the Army Air Forces.

The victorious effort of the Allies enabled the airlines, like other industries, to eventually return to civilian pursuits. In response to an application filed four years previously, C & S was awarded a certificate of service for a Memphis-Detroit route on Aug. 8, 1944. The route extended via Paducah, Ky.; Evansville, Ind.; Indianapolis, Ind.; Fort Wayne, Ind., and Toledo, Ohio. The certificate stipulated service was not to be started until after national defense requirements were met. Service was begun June 1, 1945.

In 1946, on May 24, the former 'shoestring' airline was awarded a certificate to operate internationally from New Orleans and Houston (as co-gateway terminals) to San Juan, Puerto Rico, and Caracas, Venezuela, with intermediate stops at Havana, Cuba; Port-au-Prince and Ciudad Trujillo, Dominican Republic; Kingston and Montego Bay, Jamaica, and Aruba and Curaco, Netherland West Indies.

In November of the same year service was inaugurated on the New Orleans-Havana segment of the route with one round trip flight daily. A new era in the growth of the airline had begun. Fifty-passenger four-engined Douglass DC-4 aircraft were purchased and their interiors completely remodeled. In the air they were the most comfortable and luxurious aircraft flying commercial routes.

Domestic and International Service Increased

During 1947, C & S followed a policy of consolidating and adjusting current routes. To this end, Dixieliner service was begun on Feb. 1 to Beaumont and Port Arthur, Texas, on the Memphis-Houston route; on Sept. 15 between Evansville and Chicago, and on Dec. 1 Terre Haute, Ind., was added as an intermediate stop on the Evansville-Chicago route. On Jan. 9, 1948, service to Hot Springs, Ark., nationally-known health resort, was inaugurated.

On the day of its 15th anniversary, June 25, 1948, officials and personnel of Chicago & Southern paused briefly to observe the occasion while preparing to open another international route from Houston to Caracas, Venezuela. Ports of call on this route were to be Havana, Cuba, and Kingston, Jamaica.

This service, inaugurated July 31, 1948, marked another step in the rise of Chicago & Southern from a struggling infant to its present position as one of the major airlines in the American aviation industry.

Almost on the eve of the departure of the first flight to South America, the Civil Aeronautics Board re-awarded Chicago & Southern the much discussed and controversial route between Memphis and Kansas City, Mo., via Springfield, Mo. The route was first awarded to C & S on Sept. 30, 1947, and suspended by the C. A. B. just a few short hours before service was to have been started on Dec. 1, 1947.

On Aug. 19, 1948, Carleton Putnam announced his resignation from the presidency of Chicago & Southern and the election of Executive Vice President Sidney A. Stewart to the post. Putnam had long desired a division of top management responsibilities and the selection of Stewart as President was considered a wise choice throughout the aviation industry. Putnam moved his personal headquarters to Washington, D. C., and remained Chairman of the Board of Directors.

Service to Kansas City was inaugurated on Sept. 9, 1948, with two flights daily; one flight serving Little Rock and Springfield, the other a non-stop between Memphis and Kansas City. A third

flight was added in 1950.

On Dec. 19, 1948, the three weekly round trip flights to Kingston and Caracas were supplemented by a fourth flight and in June, 1949, daily round trip service was started.

On June 5, 1949, service was inaugurated to Pine Bluff, Ark., with two flights daily, providing this city's first air service.

Late in 1949, President Stewart announced that the company would purchase five Lockheed model L-649A Constellation airplanes. The first three ships were paid for in cash. A sixth Constellation was purchased in October, 1950.

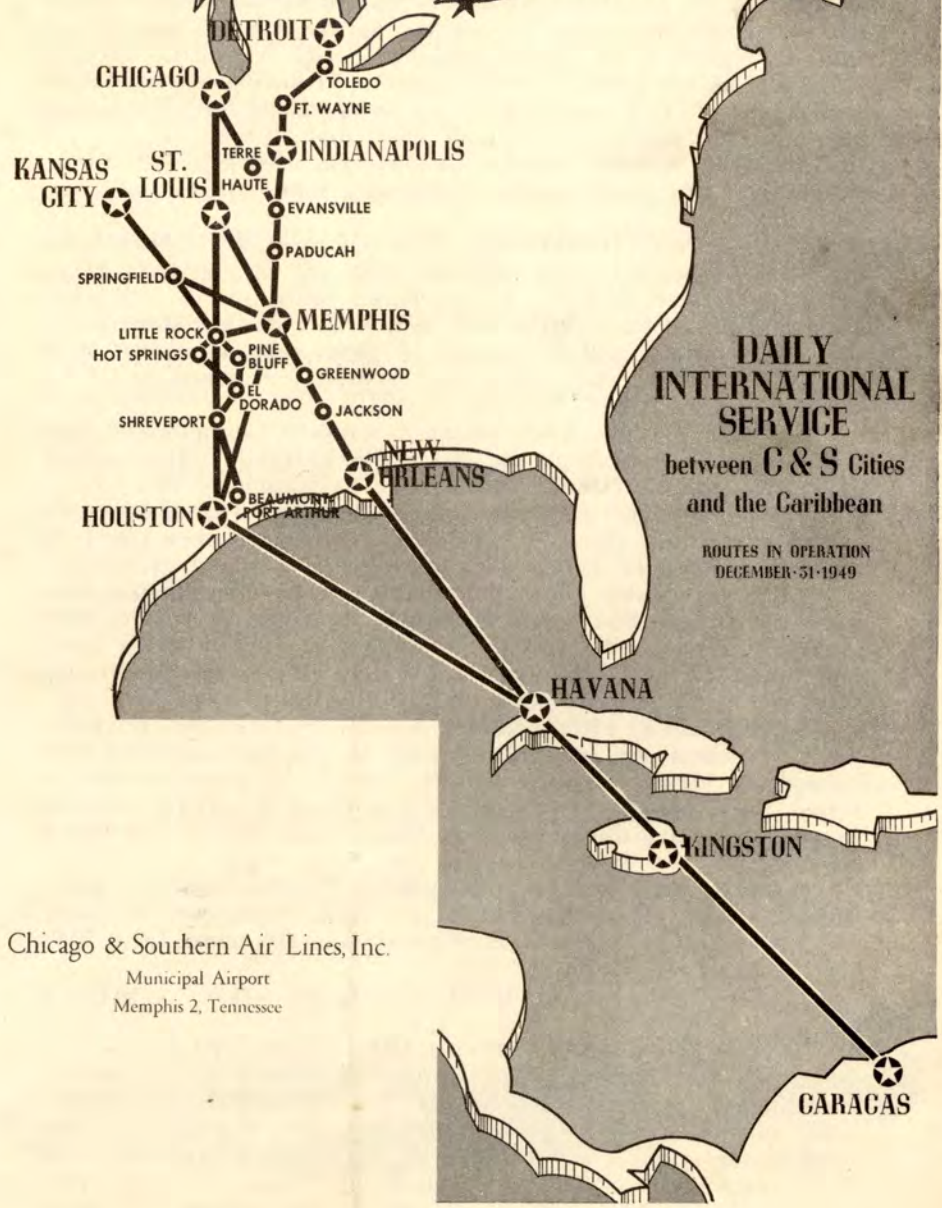
The purchase of the new 300 m.p.h. Constellation equipment was an important milestone in the history of the two-airplane airline that had started back in 1933 on a veritable shoestring—counting itself lucky for its one spare engine. Now it had become a multi-million dollar concern, but not without its hardships. Perhaps one of the darkest eras came just after World War II when C & S, like all other airlines, had to gear itself to meet a period of necessary postwar expansion.

Growth of C & S Typical

The airlines had to catch up on the expansion of routes which had automatically been suspended during the war. What had been normal operation in the past became phenomenal to meet

Douglas DC-4, flown on domestic and international routes of Chicago & Southern since 1946





DAILY INTERNATIONAL SERVICE
between C & S Cities
and the Caribbean

ROUTES IN OPERATION
DECEMBER 31-1949

Chicago & Southern Air Lines, Inc.
Municipal Airport
Memphis 2, Tennessee