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Book Reviews

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BOOK REVIEWS

AIR TRANSPORT ECONOMICS IN THE SUPERSONIC ERA, by Alan H. Stratford. St. Martin's Press, New York, 1967, pp. viii, 355. \$10.00

Although this book is primarily of interest and value to present and prospective members of airline and aircraft industry management, it should also prove useful to government officials charged with planning auxiliary facilities for air transportation or with the financial support of new technological developments in this field. In brief, the author is concerned with the rational evaluation of the commercial merits of relatively new techniques in air transportation, his attention being mainly directed to air cargo, vertical takeoff and landing (VTOL), supersonic air transport, and market research "as a tool in subsonic aircraft design and operational development" (p. v). Mr. Stratford, who is now director of a firm of air transport consultants, is extremely well qualified to discuss these problems. During his twenty years of experience in industry, he served as Superintendent of the Performance and Analysis Department of the British European Airways Corporation, Manager of the Transportation and Economics Department of the former Armstrong Whitworth Aircraft Company, and Aviation Research Manager of Hawker Siddeley International, Ltd. The value of the work is enhanced by the inclusion of a bibliography at the end of each chapter.

In a chapter devoted to the general problem of assessing the commercial feasibility and economic value of a particular aircraft type, Mr. Stratford brings out the extreme complexity and variety of the factors which must be taken into consideration, and hence the inadequacy of oversimplified cost formulae based on the principal aircraft design parameters. Such formulae, the author points out, "can take little account of the operating milieu and can suggest only in a very uncertain manner the indirect costs and other airline expenses not directly related to the aircraft itself;" for accurate evaluation of a given aircraft, "the real requirement is a full and exact representation of the cost, which should include all aspects of the operation under consideration, whether for one particular section of one airline's route system or for a wide group of airlines which may be thought to be the potential market for an aircraft project" (p. 63). Moreover, market research on the part of operator and designer will provide an essential background for the estimation of the marketability and profit potential of a specific aircraft type. A chapter concerned with market research contains a valuable discussion of particular techniques which have proven useful in this area.

Detailed treatment is accorded to various aspects of air cargo development, including cargo aircraft development and operation, mechanical systems of handling cargo, and recent research into the nature and potential

of the market for shipment of freight by air. It is concluded that even more attention should be given to "the selling of air transport as a part of the production and distribution process"—with emphasis on the tendency of the relatively high costs of air carriage to be offset by economies in distribution and improvements in service—which is held to be "the key to success in this sector of air commerce" (p. 146).

A relatively brief discussion of VTOL prospects includes a review of available and projected vehicles and an assessment of market prospects, with special reference to the London-Manchester route.

Of all the topics touched on in this volume, certainly of broadest current interest in the supersonic transport. Inevitably, the discussion is somewhat out of date. However, many readers will be glad to have the author's summary account of the background of the Anglo-French and United States supersonic transport projects and, in particular, of the reasons behind the basic design decisions taken in each case. As the author rightly concludes, "no final assessment of the economic viability of the various types of supersonic transport can yet be made;" although his highly conjectural calculations of relative rates of return on investment appear to favor the United States-backed aircraft (as well as advanced forms of subsonic jets) as against the Concorde, it may be that the latter will "find a market in the many special areas where greater flexibility and smaller capacity, combined with the immense advantage and prestige of supersonic flight, will find a ready demand" (p. 337).

While not intending to disparage the obvious over-all merit of this work, a reviewer in this country may perhaps be forgiven for remarking that the discussion of United States air transport policy in the introductory chapter is unduly abbreviated and at times misleading. For example, it is stated that "In 1953 the U.S. Mail Pay function was transferred from the Post Office to the C.A.B." (p. 25). Again, the description (pp. 25-26) of the apparent "aims" of the local service subsidy program is to say the least unrealistic. This discussion has little relevance to the main subject matter of the book and might well have been omitted.

Lucile Sheppard Keyes

MARKETING MANAGEMENT IN AIR TRANSPORT, by J. L. Grumbridge, George Allen, and Unwin Ltd., London, 1966, pp. 152. 28s

To those present or former members of British European Airways who are also authors in the airline field (Masefield, Wheatcroft, Brooks, Barry, Lee) is now added Dr. Grumbridge. His "object is to relate the principles of good marketing practice to the special circumstances of air transport." He writes with the authority of one with long airline experience and scholarly habit. He takes time to develop his ideas. He teaches.

Dr. Grumbridge makes the case for the dominance of marketing con-

siderations in airline management. The traditional prerogatives of operating men in shipping, railways, and even some airlines to run the show can no longer be tolerated. What the public wants must come first and last. Airlines must "endeavor to produce what is saleable and not merely try to sell what is easily produceable."

This is a powerful argument and, in recent years, widely accepted. It may be that corporate power always tends to the high risk areas. The uncertainties of discretionary spending by the public are likely to outweigh the uncertainties of design, operation, and maintenance. Dr. Grumbridge did not pause to discuss why operating men had so much power, but it might have shed light on why marketing men have so much today.

The case for flexible pricing is made. Since demand for economy fares is more elastic than in first class, the lower fares provide most of the opportunities to use price as a counter-peaking weapon and to set "creative" fares aimed at new markets without dilution of other revenue. The author is careful to describe the common sense limits on devices of this sort. The private logic of the tariff-maker cannot outrage public logic for long, nor can yield-dilution outrage average costs for long.

The constraints on marketing which flow from bilateral treaties and national regulation are well described, and the author presents a stout defence of IATA, whose price agreements do not include capacity restriction clauses, and of airline pooling arrangements which do. He points out that there is no practical alternative to IATA, given the desire of governments to regulate, or at least approve, international fares which affect them and their treaties. However, his assertion that IATA "does not work to protect the inefficient or timid who require high fares and are scared of experiment" seems a little bald. It would have been truer to say that in resolving clashes of interest and philosophy between airlines, IATA is also resolving major differences in cross subsidy needs and that not all airlines are equally efficient or venturesome.

The experience of British European Airways (BEA) keeps peeping through. Although many airlines are government owned, Dr. Grumbridge does not believe they behave very differently from privately owned profit seeking enterprises: "provided [the airline] is expected to cover its costs and remunerate its capital, its marketing emphasis and general marketing approach will be the same." But surely the marketing aims of BEA would change if the financial target changed from 6% on the capital employed (all debt) to whatever was necessary to ensure the availability of capital without government guarantee.

These are small questions in the broad sweep of this book. The author's description of the complex dialogue between marketing and operations is splendid. The problems of short term scheduling and longer term route pattern changes and aircraft ordering are illustrated simply and without fuss. Dr. Grumbridge suggests the common sense essentials of advertising policy, ticketing, reservations, and check-in. And he does not forget the forward look on whether airlines will preserve their identity in the inclu-

sive vacation package trade or allow it to pass to agents, particularly in Europe, who act more like principals every day.

This book is strongly recommended.

*J. J. Smith**

WORLD PEACE THROUGH SPACE LAW, by J. Morenoff. Mitchie Co., Charlottesville, 1967, pp. 329. \$10.00

Pretentious: ambitious in scope, subject, etc. This book is pretentious in the above meaning on two counts. First, and to the good, it is a newspaper-type history of reconnaissance in air and space with international law overtones. Second, and to the bad, the title is false. The book is detailed about reconnaissance; but reconnaissance is not the full story of space, of law, of peace, or any combination of these. Perhaps a lesser title has less sales appeal, but this is an insufficient reason for misguiding the reader. Although the foreword ignores the subject limitation, it at least cautions the reader on one point: ". . . law is not a panacea which can end all conflict." This could indicate a recognition that the title is false in still another way.

Judging from the footnote dates, this work was written in late 1964. Although the copyright is 1967, the book leaves the impression of a week-old newspaper.

Two of the author's degrees, in mathematics and electrical engineering, and his work which includes data processing technique and the application of computer technology, show an expectation of law as an exact science, not as an art. The author's technical background may explain his preciseness in his Chapter 13. There he sets down possible computer input information to determine if an over-flight for reconnaissance is advisable or not. He gives over a dozen pages of diagrams on "Data Entry" (p. 243) leading to possible answers as to the overflight value, the determination of possible outcomes, and evaluation of consequences. The charts are followed by a list of nine possible consequences if the mission is accomplished and forty-eight possible consequences if the mission is not accomplished (p. 268). All in all this is a tiresome, tedious listing that seems designed to impress and not educate.

The author is guilty of rushing to a conclusion without foundation. He proposes a United Nations Reconnaissance Agency (U.N.R.A.). If the book were written as of 1964, his 1967 appearing statement that "A trend toward the acceptance of the proposal actually exists" is more than a week old newspaper; it seems like soggy toast on a cold, damp morning. There are really only two nations capable of training crews, as well as handling the entire space-satellite operation. It is hard to fathom a re-

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nouncing of the ability of each to guard one against the other for theoretical United Nations control; particularly in 1967 as compared to late 1964.

The author quotes from United Nations resolutions and leaves the impression that these are law. The best that can be said of the United Nations' work is that a moral obligation is created. It is not denied that this moral persuasion may be sufficient, but this is not law.

The author espouses the view that the overfly of reconnaissance is self-defense. His argument is akin to a brief or its beginnings and not to a seasoned opinion. Basically, the question of self-defense is irrelevant. Surveillance might well be thought aggressive by the surveyed, and self-defense by the surveyor. More importantly, it is a part of international life which each does (or wishes it could do) without immediate harm to the other and to preserve self.

An impression remains that too little thought has been given to reasons and worth. For example, he states that U-2 overflights "were in existence for four years before the Soviets charged the United States with aggression. It would seem probable that such allegations would have been issued much sooner were there an actual fear of an armed attack from such planes" (p. 202). There seems a more valid reason. If the Soviets could do nothing about the overflights, why call the world's attention to their impotency as they bluster? Only after one U-2 flight was ended could the Soviets allege an ability to stop the U-2, and then only could they cry out with all due virtue of a violated maiden.

Where should this book be placed? In this reviewer's thinking, it would be under "Reconnaissance; Air and Space; some historical inquiries" and left there.

*Cameron K. Webringer**

BOOK NOTES

HELICOPTERS AND AUTOGIROS: A CHRONICLE OF ROTATING-WING AIRCRAFT, by Charles Gablehouse. J. B. Lippincott Company, Philadelphia, Penn. and New York, New York, 1967, pp. 254. \$4.95

This book presents the layman reader with a refreshing and well written chronicle of the fastest growing area of modern aviation.

The first three chapters are devoted to the history and development of rotary wing aircraft, from China in the fourth century B. C. to the development of today's modern craft. The book discusses the present uses of the helicopter in search and rescue work and as a military jack-of-all-trades in the Vietnam conflict. The author then describes the development

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and future of the vertical and short take off and landing aircraft now under development, presents the current problems of and forecasts the future of helicopter airlines. In the final two chapters, the author presents a basic and easily understood explanation of the aerodynamics and mechanics of rotating-wing aircraft, including illustrative drawings to aid in understanding the principles involved.

Profusely illustrated with photographs and drawings, this book is well worth reading by anyone interested in the helicopter and related areas.

B.L.F.