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AVIATION'S NEWCOMER—THE EAGER CUSTOMER

By CLINTON M. HESTER*

A year ago I had the pleasure of meeting many of you for the first time, at your convention in Omaha. On that occasion the Civil Aeronautics Authority, but two months old, was confronting the world of aviation just about the way any two-months-old would confront any world. It looked like a very big world. And our task in it looked like a very complicated one.

But I believe I was able to offer you some promise. I was able to remind you that our infant organization was bred along sound lines — and that you yourselves were among its progenitors. I read from the constitution of the National Association of State Aviation Officials, and then from the declaration of policy in the Civil Aeronautics Act of 1938. The family likeness was inescapable. I was able further to advise you anxious fathers that the infant was by all the signs a healthy, intelligent weanling already showing a commendable determination to tackle the problems of its world, however complicated they might seem.

Your then generous promise of aid has since been made good. Where needful, during this year, you came forward with criticism well justified by the motto "Spare the rod and spoil the child." But, even through that criticism, we have been conscious on our side that you were seeking the same ends that we were — the great ends of developing a civil aviation establishment suitable to the needs of the United States.

On that, I think I have a message to give to you. I should hesitate to claim any angelic prerogatives. But I do think that I have for you, for all of you who have labored so long, and often without recognition or reward at aviation's tasks, what constitutes nothing less than good tidings.

A new figure has come into civil aeronautics. He is so new and so startling, I am afraid, that some of the weary veterans may be a little puzzled or more than a little alarmed. They may even be tempted to slam the door in the newcomer's face.

Gentlemen, don't let anyone do that! There can be no doubt

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that this newcomer brings to civil aviation the most important thing since the internal combustion motor. For, if the internal combustion motor put the airplane in the air, this year's innovation will put it into a solidly earned place in our national economic life.

Gentlemen, the newcomer to civil aeronautics is none other than that funny little man who solves so many other ills — the eager customer!

Take the scheduled airlines. For years their problem has been to attract passengers. Today their problem is to find planes, and the pilots to fly them, for the eager passengers and the ever increasing number of mail sacks and express shipments that seek to be carried in their comfortable cabins and their ample holds.

This is despite the fact that they have not only increased their service in intensity but have spread it more than half round the globe. With pardonable pride, I can testify personally to this change. Since assuming my office I have flown most of our domestic air lines in the United States and our foreign lines, to London on the one hand, and, on the other hand to Hawaii and on over the proposed route to the South Seas and New Zealand. And right here I might say that my experience is first of all a testimony to the speed and convenience of this new mode of transportation. But a few years ago these journeys would have taken months. I was able to accomplish them by air, under the American flag, with very few days lost from a very busy desk in Washington. And, speaking of the American flag, if it still be true, as I hope it is, that the sun never sets on the British Empire, it will very soon also be true that the American flag, carried by American planes, gives that old sun a very good race of it from the heart of the British Empire in London to its farthest outpost in "the land down under," and that every day and night in the western hemisphere these planes carry the flag athwart the sun's path from Nome in Alaska to Buenos Aires in the Argentine.

That, of course, arouses our national pride. But the reason for those flights, the reason for the huge increases in schedules on the domestic lines, is not the mere gratification of a pride, however proper. It is the more prosaic but actually more important one of supplying a demand for a service which shrewd American business sense buys because it pays in time saved, in comfort earned and in business done. That is our customer at the airline's door.

And he's there in startling numbers. The winter trough for 1939-1940 will in all probability look like the summer hump for previous years. For the first six months of 1939 the airline industry as a whole is in the black at least a half million dollars, whereas six-

teen months ago many of the lines were on the verge of bankruptcy; and for the summer months every individual airline made a profit, a situation that never existed before in all the history of air transportation.

Early this year we were predicting that the airlines of the United States would carry a million and three-quarters passengers this year. It now seems that there will be some two million passengers on the domestic airlines alone and that the foreign lines will carry almost 300,000 more, 2,300,000 passengers in all.

But men like you know that the non-scheduled flyer is far more numerous, far more troublesome, perhaps, and certainly far more influential than his more spectacular brother of the scheduled airlines. You may recall that verse of Rudyard Kipling which begins . . . "The liner, she's a lady . . ." He pays due tribute to the magnificent surface ships that, in his day, carried the blue ensign of the British naval reserve, with bands playing and ladies dancing, throughout the seven seas. But the whole burden of his song — and he sung it well — was this: — Important and glorious as these great ships might be, they were not the solid backbone of the great British mercantile marine. No. First importance in that vital element in British economy he gave, not to the liner, who was a lady, but to the "scruffy little cargo boats," under the red ensign of business, that went "puffing up and down."

So today, where there are but about 350 of our lady liners of the sky, there are eleven thousand of these smaller craft in the hands of private and non-scheduled flyers. They carry more passengers than the liners. They fly more miles. And, gentlemen, the eager customer is knocking at this door of non-scheduled aviation just as eagerly as he is knocking at the doors of the airlines—and here are the figures to prove it.

Today there are 26,000 pilots as against 21,000 a year ago. During the first six months of 1939 there were made and sold—*sold*, mind you!—a total of 1,627 domestic civil aircraft as against only 853 during the same period of 1938. That is a gross increase of over 90 percent. But the classification in which that increase falls is, to my mind, more important than the increase itself. Of these newly made and sold planes in the first six months of this year, 1,362, as against 602 for the like period a year ago, were one and two-place, single-engined, cabin monoplanes. Only 56 of all the new planes made and sold were multi-engined aircraft destined for the airlines. All the rest — and on the basis of these figures there will be well over 3,000 such new airplanes made and sold during the current calendar

year — will be those little craft that will go “puffing up and down” the airways, and off the airways, of the United States.

There indeed is the new and eager customer for civil aviation in the United States with money jingling in his pocket. Three thousand such planes this year is thirty times the number the aircraft industry will make for and sell to the airlines.

During the last year there has been an increase in the number of certificated pilots in the United States of almost 6,000. That is before reckoning any results of the student pilot training program in which we are now engaged. Suppose — and it is a sound supposition — that we get another six thousand new pilots licensed through the usual methods between now and the thirtieth of June, 1940. By that time we believe we shall also have licensed 10,000 pilots from the student training program. And 26,000 plus 6,000, plus 10,000 would make 42,000. So that when we say that the nation and the states will have to plan for 40,000 pilots in the United States by the end of the current fiscal year, we would seem to be indeed conservative.

Let me right here repeat my word of caution to some of the weary veterans. I don't blame them for being weary. But I've heard them, with some alarm say such things as this — “What, WHAT are we going to do with these thousands of new crazy kids taking up flying?”

In the first place, they won't be crazy kids, if you and we go about our jobs in the right way. And in the second place, and by far the more important place, they are a vast new crop of primary customers for all that aviation can manufacture and all that it can provide in the way of services. And I never saw a sound business man who ever said, at the approach of sixteen thousand new customers in a year, “What am I going to do with them!” The sound business man goes out and hires the extra hands and sets up the new facilities to make and to sell them what they want to buy.

Mind you, I said they are 16,000 new *primary* customers for aviation. They are the pilots. Any of them who can possibly do so will buy planes to pilot in. The secondary customers are the passengers. Non-scheduled flying in the last ten years has carried an infinitely larger number of passengers than the scheduled airlines. Last year, however, the number of each came pretty close to a million and a half with the number of private passengers still slightly ahead. So, if we are right in our estimates that the foreign and domestic airlines of the United States will carry 2,300,000 passengers this year, it certainly is safe to assume an equal number of passengers for the non-

scheduled flyer, and that, my friends, brings us into the year 1940 to an industry with certainly more than 5,000,000 passengers, 5,000,000 men, women and children steadily buying the services of this new utility, civil aviation.

Every month that goes by confirms the conservative character of these estimates. Just before leaving Washington, I saw the traffic figures for the domestic airlines. They make another all-time high record for air passenger and express business. Every element by which traffic and revenue may be measured is not only from thirty to fifty percent above August a year ago, but, instead of beginning to flatten out as August usually does in relation to July, this August is up to thirty percent ahead of this July — and July 1939 itself was an all-time high record of airline business done.

Nobody in the Civil Aeronautics Authority is fatuous enough to claim credit for this sensational development. It was inherent in the steady progress that has been made for years. But I, at least, do not hesitate to pay tribute to my colleagues on the Authority and the Air Safety Board for two things they did to bring the inherent virtues of civil aeronautics home to the great American public.

One might be called a sound piece of product analysis; the other a stroke of salesmanship. A year ago it was found that the airlines, actually, were making an excellent safety record — 13,000,000 miles per fatal accident in 1937. But then also was found the shocking fact that the non-scheduled flyer was making anything but such a handsome record. He was flying only a little over half a million miles per fatal accident in 1937. And it was found that such airline accidents as did occur were all too likely to group together in the bad weather of winter.

So, first of all, the Authority and the airlines agreed upon added safety precautions for the winter operations of 1938-39. The airlines more than lived up to the agreement. They made the magnificent record of last winter with which you are all familiar. But, at its conclusion, the Authority violated a precedent. Quite properly, perhaps, the individual airlines have always felt it unwise to boast of their safety performances. The Authority was under no such inhibition. Last March and again and again since, its members have proclaimed the fine record the airlines made then and are continuing to maintain. The salesmanship of this was that not only did it convince the personnel of the airlines and our own personnel that something could be done about accidents, but it convinced the travelling public that something certainly *was* being done about them, and that that something was something very effective.

These things, I submit, have contributed enormously to the public confidence which has brought these amazing new swarms of customers, with money in their hands for fares, to the airline ticket windows since that fine winter record was not only attained but proclaimed.

Events have proved that the Authority's product analysis job on the non-scheduled flyer was equally effective. Grove Webster has told you how, all through the country, boys and girls are being taught by thousands how to fly in a way that has proven itself to be the safe way. The ten thousand students we expect to graduate from these courses and to license as private pilots next June are not "crazy kids." They are youngsters who have gone at it seriously. They will be so trained that ingrained deep in their subconsciousness will be the concept that the only way to fly and to keep on flying is to fly within the known limits of safety. You can readily realize the effect when, as Mr. Branch has told you, we have 70,000 pilots in the next few years, by far the largest number of them trained in this indubitably safe way. And that brings us to the second object of the student pilot training program.

The indirect effect of this training is already startlingly evident. Wherever these courses this Spring were given, the sisters and the cousins and the aunts of these boys flocked to the airports and took charter and sight-seeing flights. So widespread was this effect that the instructors, who were also fixed base and charter operators, had to beg off giving student instruction during the week-ends and turn to the business of flying the relatives and friends of the students. These relatives and friends were convinced that if their boy could do it, it must be safe.

There is a potent and patent analogy for us in this changing state of mind. I was reading the other night "The Turning Wheel" by Arthur Pound. Reviewing the history of transportation he recalled that the automobile in the late nineties was a more unpopular vehicle than the airplane ever was, because it was right down on the roads of that day and scared not only a lot of horses but a lot of people. He wrote:

"Obviously, this popular distrust of the motor car had to be overcome, and the way to break it down was to make automobiles so common that thousands could drive them and more thousands ride in them daily; then horses and humans alike would grow accustomed to their passage; then the farmer and the working-man alike would learn to look upon the automobile, not as a rich man's toy, but as a convenience which he might hope some day to possess. The conversion of the populace would begin as soon as any considerable number of car owners started taking their neighbors for rides. After even one ride the small boy would be on fire to own a car when he grew to be a man."

Continuing, he said:

"Quantity production, it is now clear, was the key not only to the financial success of the industry but also to winning the public mind away from its traditional enmity. A car had to be small and strong and simple. The first manufacturer who could bring a car of that kind to the public 'at a price' would score an immediate financial advantage and at the same time clear the way for the whole industry to surge toward large proportions."

I leave it to you gentlemen — have we not, today, arrived at that conversion of American public opinion towards the airplane. I leave it to you whether or not, on the figures I have given you, the way has been cleared "for the whole industry to surge forward to large proportions."

Talk about mass production! Buick "mass-produced" 8,500 automobiles in 1908 and that same year Cadillac won the Dewar trophy in London for an interchangeability of parts possible only by mass production methods. Those steps led to domination by a great American industry in the automobile field.

Internationally, we can say that today's actualities will, almost inevitably, lead to American domination of the aviation field, with all such domination implies nowadays in national prestige and power, an implication which the automobile never carried, an implication which is, in fact, peculiarly the airplane's.

The wisdom of Congress in encouraging this kind of growth has been amply justified, for, today, this country finds itself with a civil aviation establishment already so much larger than the civil aviation establishments of all the rest of the world, that no other nation or combination of nations would ever dare to challenge its conversion into an arm of combat. In the bone and sinew of our economic life Congress can now pride itself in finding security in the air today and its normal healthy growth to meet any foreseeable tomorrow.

You have been told in the course of this meeting what we could tell you out of our own experience. We have frankly asked you for your help. I feel particularly free to ask for that help because, through over twenty years of meeting the public in no less than eight departments of the federal government, I have never dealt with a group of men in an industry, or representing the action of the states upon an industry as you do here, who have such a high concept of the public and national aspects of your duties as have you men from the ranks of the aviation industry and the ranks of the state authorities.

We are ready, willing and anxious to help you. But, I repeat to you again, all that the federal government can do, all that you state officials can do, all that the industry itself can do is as nothing without