Passing virtually unnoticed on March 5, 1987, was the fiftieth anniversary of USAir as a commercial aviation enterprise. Using Pittsburgh as its flying hub and recognized as one of the nation’s most successful passenger airlines, it was incorporated fifty years ago as All American Aviation, Inc., and during its early life was known for operating a unique nonstop airmail pickup and delivery service. Swooping out of the sky toward a mail sack attached to a line strung between two upright poles, the company’s gull-winged Stinson Reliants deployed a hook that snatched the sack aloft and reeled it into the plane. At the same time the pilot actuated a release mechanism that dropped a bag of incoming mail to the ground. This dramatic and potentially dangerous operation was born in the fertile mind of a restless inventor named Lytle S. Adams and nurtured with the financial support of Richard C. du Pont, a wealthy glider enthusiast from Wilmington, Delaware. All American brought airmail service beginning in 1939 to a large number of small communities scattered throughout Pennsylvania, West Virginia, and Ohio along the arms of Route AM-49, which branched out in various directions from the firm’s Pittsburgh hub. Performed day in and day out with skill and professionalism that resulted in an admirable record for safety and reliability, the airmail pickup gave company employees a well-deserved sense of pride and helped engender a strong family feeling that permeated the early years of the enterprise.

All American exemplified a spirit of aerial democracy by providing the benefits of airmail to communities that in many cases lacked airports, and in so doing reflected some of the idealism of the New Deal era. During World War II, the company flourished financially not only

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because of the considerable volume of letters flowing from residents of the territory it served to persons in the armed forces, but also because its Manufacturing and Development Division in Wilmington contributed substantially to the war effort by devising equipment and techniques that permitted combat gliders to be towed aloft and enabled military personnel to be rescued from behind enemy lines. After the war, however, All American's fortunes began to decline as mail volume shrank and a combination of better highways and mobile postal units made its services less necessary to the federal government. Requiring ever-higher subsidies from the post office department to stay in operation, its chances for survival were slim unless company officials could devise a strategy for increasing its revenue potential.

One possibility, vigorously pursued by Richard C. du Pont in his capacity as chief executive of the firm before his tragic death in a 1943 glider accident, was that All American might be able to combine the pickup system with passenger operations, but the Civil Aeronautics Board (CAB), the chief federal regulatory body for commercial aviation, was never convinced that this could be done with adequate safety to the traveling public. Another alternative, looked upon with great disfavor by the rank and file of the company's employees, was to abandon the pickup entirely and remake the company as a conventional air carrier. This had considerable appeal, however, among management, for the CAB at the time was looking with increased favor at the possibility of creating regional "feeder lines" to funnel travelers from small cities into the nodal centers serviced by such large "trunk lines" as American, Eastern, TWA, and United.

An All American official who pondered such questions was Charles W. Wendt, who had been a close financial advisor to Richard C. du Pont and who, as the company's treasurer, enjoyed the confidence of a majority of its directors. Shortly after the end of the war, Wendt secured the appointment of a new chief executive to replace president Halsey R. ("Hal") Bazley, a veteran pickup enthusiast who, in Wendt's estimation, was too closely identified with the old system to be capable of really objective thinking about the firm's future. Wendt's choice as Bazley's successor was Colonel Robert MacClure Love, an experienced aviation leader who during the war had been a key official in the Air Transport Command, working closely with its overall director, the well-known American Airlines executive C. R. Smith. From the time Love assumed command at the company's Wilmington headquarters, many employees suspected that he intended to convert All American into a conventional passenger airline. These
fears were intensified when Love selected Charles A. Rheinstrom, for many years a key American Airlines executive, as a consultant and subsequently chose Hamilton O. Hale, an attorney who had also been connected with C. R. Smith, as All American's general counsel. On the other hand, Bazley remained with the company as its vice-president for operations, and his watchful presence at the Pittsburgh base helped convince longtime employees that their interests would continue to be represented.¹

Well aware of the suspicion with which he was regarded, Love tried hard to maintain an open mind on the pickup. For example, he supported the acquisition of two new Beechcraft D-18C aircraft specially

modified to perform both pickup and passenger operations, should the CAB in the end be persuaded to authorize such a combination of services. The CAB instead moved in the opposite direction, deciding against All American in a series of regional new route cases won by such conventional contenders as E. W. Wiggins Airways, Piedmont Aviation, and Southern Airways. Ahead loomed the possibility that the CAB might well choose an opposing enterprise for feeder-line status in a related proceeding pertaining to All American’s home turf, the Middle Atlantic area.

Throughout the closing months of 1947 the fate of All American Aviation hung in the balance as the Civil Aeronautics Board moved slowly toward disposition of two key proceedings that would determine whether the enterprise lived or died. The first of these was an investigation ordered by the board in May, when it had dealt with All American’s chronic mail pay needs, to determine “whether the public convenience and necessity require that Route AM-49 be suspended in whole or in part.” The order was quickly amended to stipulate that the inquiry should be conducted “without prejudice to pending applications of All American before the Board,” an obvious reference to the other proceeding in which the company was vitally interested, the ongoing Middle Atlantic Area Case. In late June, Love pointed out to the firm’s directors that in presenting arguments before the CAB, the company’s counsel, Ham Hale, might well be asked to disclose All American’s position on continuing the pickup if the federal regulatory agency confirmed the recent examiner’s report recommending that the company be authorized to operate a series of conventional feeder-line routes. The directors lost no time in reaching a consensus that “in the event of the granting to All American of the conventional passenger route service, the company should not be opposed to the suspension of the Air Pick-Up service for the duration of the conventional passenger certification.”

Things did not stand still as officers of the firm waited to see what the CAB would do. In September, the board became aware of continued and unexpectedly heavy losses on the part of the company’s Manufacturing and Development Division in Wilmington. The Wilmington division had once been All American’s financial mainstay, but it was now a costly liability, and the firm’s directors had to think seriously about jettisoning its manufacturing functions. The executive

2 Minutes, Regular Meeting of Board of Directors, June 24, 1947, box 5, All American Engineering Company Collection, Hagley Museum and Library, Wilmington, Delaware (hereafter cited as AAECC).
committee soon decided in favor of such a move, and less than six weeks later Love gave the directors “tentative production schedules leading to the termination” of the company’s manufacturing operations by January 1, 1948. The executive committee was authorized to obtain offers for equipment and other assets, but none of the bids obtained was satisfactory. At its final 1947 meeting, Love informed the board that the sheet metal shop would cease operations by the end of the year, while the machine shop would continue to the end of January in order to finish a contract it held with the Glenn L. Martin Company and to complete miscellaneous work. In February, most of the equipment and accessories were sold at public auction by the Industrial Plants Corporation of New York, yielding a net return of $141,000, which, according to Love, was $39,000 more than the private offers received before the sale.¹

This move did not affect the Engineering Department, which remained in operation and received plaudits from Love for its development of a crosswind landing gear for a twin-engine Beechcraft plane owned by the federal government, the first time such equipment had been installed on an aircraft this large. In addition, Engineering won a “substantial contract” to provide pickup apparatus to the Canadian government and assisted military authorities in various projects involving experimental rescue operations.² The department subsequently became the core of the new Engineering and Development Division in Wilmington.

Confident that the CAB would act favorably in the Middle Atlantic Area Case, Love achieved further economies by abandoning a number of the firm’s patent applications involving pickup methods tangential to the company’s basic techniques. A badly-needed financial boost came with the announcement that All American would receive $461,000 in retroactive mail pay from the federal government, wiping out previous deficits and enabling the Air Transport Division to strike a new balance showing a modest profit of approximately $22,000 for fiscal 1947. In its current operations, however, the company still struggled to make money even with the higher rates recently author-

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³ Minutes, Regular Meeting of Board of Directors, Dec. 23, 1947, ibid.; Minutes, Regular Meetings of Board of Directors, Jan. 27, Mar. 2, 1948, box 7, ibid. There is a discrepancy between the March 2 Minutes, which specify a net return on the auction of approximately $141,000, and the subsequent Annual Report, which gives a figure of approximately $131,000; see All American Aviation, Inc., Annual Report, 1948, 4 (hereafter cited as Annual Report, with year).

ized by the CAB. Within a few months the company was again petitioning for another pay increase amounting to nearly seven cents per mile. From the government's point of view, All American's mail operations were costlier than ever; pieces of mail dispatched per revenue mile over its system in 1947 plummeted to 4,202, the lowest level since 1942, while its rate of pay per revenue mile rose to approximately 53.6 cents, the highest figure in the company's history. It was increasingly inevitable that federal officials would balk at paying higher and higher subsidies to maintain a largely unwanted service.5

By now Love was firmly in control of company policy. In November 1947, he added substantially to his voting power by acquiring 86,345 shares of All American common stock from A. Felix du Pont, Sr., whose son, A. Felix du Pont, Jr., was obliged during the same month to vacate his place on the board when the CAB refused to permit him to hold interlocking directorships in All American and the Piasecki Helicopter Corporation. Although Piasecki was then involved exclusively in military work, the CAB believed it might seek commercial markets, particularly for its large PV-3 helicopter, designed originally for air-sea rescue missions with the U.S. Navy. Although All American had withdrawn its application for helicopter service in the Pittsburgh and Philadelphia areas, the possibility of conflict of interest was sufficiently strong in the eyes of the CAB to forbid du Pont to serve both companies.

The young du Pont's place on the All American board was taken by James P. Mills of Long Island, New York, a stockholder who had shown his keen interest in company affairs with searching questions about the firm's shrinking mail poundage and other matters at a recent annual meeting in Wilmington in September. By the time the next annual report was issued in mid-1948 the composition of the board had changed even more due to the resignations of Beverley E. Howard and David F. Rawson and action taken to fill the seat previously held by Mrs. Richard C. du Pont. The three vacant positions went to Martin Fenton and Hugh R. Sharp, Jr., both familiar figures on the Wilmington financial scene, and to David L. Miller, who had replaced Frank J.

Trelease, Jr., as assistant secretary after the war. He was subsequently promoted to secretary, a position he continued to occupy. More and more, the firm's destinies were being mapped by new leaders who had no connections with the early years of the pickup service and consequently no strong attachment to its continuation.6

On December 6, 1947, the company suffered a fatal accident — its second of the year — when one of its recently-acquired twin-engine Beechcraft Model 18 pickup planes crashed at Wellsburg, West Virginia, due to the failure of a right wing spar cap, costing the lives of pilot Thomas E. Bryan and flight mechanic Burger N. Bechtel. In addition to the pain associated with the loss of such valued personnel, the company faced the necessity of acquiring further equipment to maintain a full schedule of operations, particularly because the incident led to the temporary grounding of its remaining Beechcraft and forced the antiquated Stinsons to take up the slack. At a meeting held six days after the crash, Love discussed these difficulties with three members of the CAB, chairman James M. Landis and members Josh Lee and Oswald Ryan. Later that same month, he reported to the directors that the CAB was "very sympathetic" to the company's plight.7

The full measure of the CAB's concern about the increasingly untenable position of All American was manifested in its long-awaited decision, announced February 19, 1948, that finally decided the Middle Atlantic Area Case and assured the firm of survival as the operator of a conventional feeder-line system. In this historic verdict, the CAB pointed out that as long as All American's Route AM-49 remained in operation regular feeder-line service in the same area was not justifiable because duplication of mail service could not be per-

6 Minutes, Regular Meeting of Board of Directors, Nov. 25, 1947, box 5, AAECC; CABR, vol. 8, April-December, 1947, 672-75; Minutes, Annual Meeting of Stockholders, Sept. 15, 1947, box 5, AAECC; Annual Report, 1948, 3, showing list of directors; interview with Charles W. Wendt by W. David Lewis, Wilmington, Delaware, Sept. 11, 1980.

7 Minutes, Regular Meeting of Board of Directors, Dec. 23, 1947, box 5, AAECC.
mitted and a new service limited to the carrying of passengers could not possibly succeed without mail revenue. On the other hand, the CAB declared, evidence indicated that there was abundant need for feeder-line service to many smaller cities in the Middle Atlantic region. The terrain between Pittsburgh and Buffalo, for example, required at least nine and one-half hours of rail travel, whereas the same distance could be covered by air in less than two hours. East of Pittsburgh, where some of Pennsylvania's most rugged mountains were located, the relatively short distance from the steelmaking metropolis to such places as Johnstown and Altoona made the inclusion of these cities on the trunk routes of such carriers as United and TWA uneconomical, thus depriving them of connections to such places as Harrisburg and Philadelphia. West of Pittsburgh, service to such centers as Wheeling, Parkersburg, Athens, and Chillicothe could be justified en route to Cincinnati; similarly, a number of communities located between Pittsburgh and the Baltimore-Washington area merited air connections with these urban centers. Finally, a group of towns and cities scattered along or near the Atlantic Coast would benefit from inclusion within a new feeder network. One of these was Atlantic City, which Eastern Air Lines currently served but could not integrate effectively into its long-haul route pattern. Others included communities situated in the Delmarva Peninsula, cut off from the more populous areas to the west by Chesapeake Bay.

There was an obvious way out of the dilemma, and the CAB quickly seized upon it. Pointing to the possibility that the concurrent investigation of the need for continuance of All American's Route AM-49 might "result in the suspension or substantial modification of the air mail pick-up service," the commissioners stated that

we find public convenience and necessity for the local feeder system (persons, property, and mail) discussed above, subject to a condition that the certificate shall be issued only in the event that the Board finds, within not more than 1 year from the date hereof, that, as a result of the alteration, amendment, modification, suspension, or abandonment, in whole or in part, of All American's certificate for route No. 49, the conventional local feeder route discussed above will not substantially duplicate the mail and property service provided over the Pittsburgh-Jamestown, Pittsburgh-Philadelphia, and Pittsburgh-Huntington-Cincinnati segments of route No. 49. The proceeding will remain open in order that appropriate findings can be made with respect to the fulfillment of the condition. In the event the Board is unable to make such finding within the specified period, the finding of public convenience and necessity made herein will be deemed to be of no further force and effect.

8 CABR, vol. 9, January-December, 1948, 171-78.
9 Ibid., 176.
Here, in the ponderous language of the federal bureaucracy, was All American's charter for the future. If, over the next twelve months, it phased out its existing pickup service, it would become the conventional feeder-line carrier for the Middle Atlantic area. This result would be consistent with the CAB's previous decisions in favor of Wiggins, Piedmont, and Southern in the New England and South-eastern States cases, and would, it was hoped, free the federal government from the increasingly unmanageable airmail subsidies it was paying to All American. Assuming that All American would consent to this solution, the CAB saw no need to delay its final verdict. After discussing the qualifications of the seven prospective carriers competing in the Middle Atlantic proceeding — Hudson, Hylan, Mutual, All American, Columbia, Mason-Dixon, and Atlantic Central — it pointed out that All American possessed "long experience" in the area; that it was well known there, obviating the need for expensive promotional efforts on its part; and that the speedy inauguration of feeder service would be promoted by the existence of its present personnel, many of whom would be absorbed into the new service.

As a result, the CAB summarily denied the claims of all other parties in the proceeding and issued All American a certificate of public convenience and necessity to transport persons, property, and mail for three years on six feeder lines. The first of these ran from Washington and Baltimore to Pittsburgh by way of Frederick, Hagerstown, Martinsburg, Cumberland, Connellsville, and Uniontown; the second, from Washington and Baltimore to Atlantic City by way of Dover and Bridgeton-Millville-Vineland. The next three arteries covered familiar territory so far as All American was concerned: they ran from Pittsburgh to Atlantic City by way of Johnstown, Altoona, Harrisburg, Lancaster, Wilmington, Philadelphia, and Camden; from Pittsburgh to Buffalo by way of Butler, Oil City-Franklin, Warren, Bradford, Jamestown, and Dunkirk-Fredonia; and from Pittsburgh to Cincinnati by way of Wheeling, Parkersburg, Athens, and Chillicothe. Finally, the CAB awarded All American a meandering route from Washington to Wilmington by way of Baltimore, Easton, Cambridge, Salisbury, Ocean City, Georgetown, Rehoboth Beach, Cape May, and Dover, with Ocean City, Rehoboth Beach, and Cape May to be served only during summer vacation periods. Two conditions were attached to the award: All American was required to conduct a survey demonstrating the adequacy of airports serving the specified communities, and, more important, phase out existing pickup services so as to satisfy the CAB within a year's time that a duplication of
mail services would not result from implementation of the board's decision.\footnote{Ibid., 196.}

Predictably, All American reacted positively to this momentous development, which amounted to a vindication of the policies Love had pursued since assuming leadership of the company two years before. When the directors held their first regularly scheduled meeting about two weeks after the decision had been announced, Charles Rheinstrom reported in detail on the costs and revenues that could be anticipated in operating the routes granted by the CAB, which were estimated to aggregate fifteen hundred miles. Within another month plans were underway to submit a report to the CAB demonstrating the adequacy of airports to serve three-fourths of the designated communities by the time conventional feeder operations were inaugurated, and expressing All American's "willingness to suspend air pick-up service where it paralleled the new routes." The firm, however, took exception to the recent decision by asking that the CAB reconsider having omitted points along its existing Route 49E stretching northeast of Pittsburgh in the direction of New York City; it wanted not only a feeder line between Pittsburgh and the nation's largest metropolis but also an extension of the Washington-Atlantic City route all the way to New York. Looking ahead to operation of the new system, Love was authorized by the board to spend $250,000 to acquire four Douglas DC-3s and have them suitably modified for the services All American would render.\footnote{Minutes, Regular Meetings of Board of Directors, Mar. 2, 30, 1948, box 7, AAECC.}

Approximately seventy-five war surplus Douglas C-47 cargo planes were available, and of these All American selected six for purchase at what Love described as "a good average market figure" of about $33,000 each. These had to be modified for commercial passenger service. After considering various options, All American officials decided to let Douglas itself undertake the task even though its bid was higher than the others received by the company, on the grounds that as the original builder of the planes, the California manufacturer was "obviously best qualified to do the work." Final decisions about the specifications were made by late July 1948, including selection of dark green and what Love called "a high visibility yellow" as the firm's color motif. Interior decoration would be in two shades of green, with russet curtains and carpeting and matching leather arm rests. In August, Love disclosed that the modifications would cost $78,000 per
plane and that the company would need to acquire at least two more aircraft before the start of passenger operations in February or March. This was too low an estimate, because by the time All American reached the starting gate it had eleven DC-3s in its fleet.\textsuperscript{12} In addition to acquiring such aircraft, All American faced a massive effort of reorganization and retraining to get a company that had never done anything but pick up mail ready for totally new demands of passenger service. Looking back on the situation many years later, Wendt described it as "a whole new world."

In so far as possible, Love and his fellow officers wanted to use existing personnel; no other policy could be seriously entertained given their desire to retain the close-knit family feeling that had traditionally characterized the firm and to avoid a potentially catastrophic loss of morale among its employees, many of whom were nothing short of heartbroken about the impending demise of the pickup system that had given All American a unique sense of identity. Among employees promoted to new positions of responsibility was Ray Garcia, who had come into contact with All American as a young man working at the Latrobe airport for $25 per week and had ultimately been hired by Bazley as a flight mechanic in 1942. Seven years later, he became the firm's new head of passenger service after amassing 12,000 hours in pickup operations. Another major responsibility, retraining All American pilots to fly DC-3s instead of Stinsons and Beechcrafts, was entrusted to Frank Petee, a pilot who had previous experience with TWA. Meanwhile, flight mechanics who had sorted the mail between pickups were retrained as stewards to attend to passengers. In yet another important area involving the effective coordination of flight operations, Carl Tewell, previously chief dispatcher at Pittsburgh during the pickup era, was requalified to play a similar role in dispatching passenger flights.

Inevitably, some new people, like Petee, had to be added to the organization; often these were identified and recruited with the help of Charles Rheinstrom, whose advice remained indispensable throughout the transition period. Among other persons brought into the firm was Walter Short, who joined All American on February 1, 1949, as chief accountant and later assistant treasurer. Short came from Capital Airlines, which, as its previous name of Pennsylvania-Central Airlines indicated, constituted an excellent training ground

for passenger operations in the Middle Atlantic area.\(^{13}\)

Befitting an enterprise that was going through what amounted to a change of identity, All American’s directors decided upon a rite of passage by effecting a minor change in the company’s name. At a board meeting held in July 1948, they settled upon “All American Airways, Inc.” as being more suitable to the firm’s emerging status as a passenger carrier than its old one, “All American Aviation, Inc.” As Love explained in the annual report for fiscal 1947-1948, “This change provides a continuing identity with the organization which has so efficiently provided some 12-million miles of air transportation in the Middle Atlantic Area and yet reflects the change to its principal activity.” Love added with a touch of humor that “The simplest and most descriptive name could not be made available due to its very close similarity to that of another domestic carrier.” This reference to the mammoth enterprise headed by Love’s former wartime associate, C. R. Smith, may not have been appreciated by some members of All American’s rank and file who resented the degree to which the firm was being modeled upon its much larger counterpart, American Airlines. But the new name had clear sailing when submitted to the stockholders at their annual meeting on September 20, 1948, and was duly filed at the office of the secretary of state in Dover on October 4.\(^{14}\)

Now that All American had assumed a change in both purpose and identity, Love came to the conclusion that Wilmington was no longer a suitable location for the firm’s headquarters. Although Pittsburgh remained a key operational center, proper administrative facilities were lacking at the Allegheny County Airport, which in any case was to be replaced as the city’s main air terminal by a large unfinished facility. After considering other alternatives, Love presented an administrative report to the directors at their October 26, 1948, meeting announcing plans to move the firm’s general offices and operational headquarters to National Airport in Washington, D.C. While a number of persons, including Wendt, were unhappy about the prospect of leaving Wilmington, particularly because of the company’s deep associations with the du Pont family and heritage, a move to Washington

\(^{13}\) Interview with Wendt by Lewis, Sept. 11, 1980; interview with Raymond Garcia by William F. Trimble, Pittsburgh, Sept. 5, 1885; interview with Frank Petee by William F. Trimble, Pittsburgh, June 11, 1986.

\(^{14}\) Minutes, Regular Meeting of Board of Directors, July 27, 1948; Minutes, Annual Meeting of Stockholders, Sept. 20, 1948; and miscellaneous documents pertaining to name change, all in box 7, AAECC; Annual Report, 1948, 9.
offered maximum closeness to the regulatory arena in which so many
decisions crucial to the company’s welfare were made. As Love also
pointed out, the capital was the terminal point of no less than three
of the passenger routes granted to the firm under the recent CAB
decision. Perhaps most of all, relocating there would give All American
a chance, as Wendt later expressed it, to “start a brand new operation
in a new location,” free of emotional ties to the past.¹⁵

Yet one more factor played a part in the selection of National Air-
port as the specific site of the company headquarters. Like a number
of other airlines, TWA had overexpanded its operations in the post-
war era and found itself encumbered with a building there, known as
Hangar 12, which it could not use effectively. Under the terms of the
CAB decision in the Middle Atlantic Area Case, All American would
initially operate its new route system on a three-year trial basis, and
its pickup routes would be under suspension for a like period. Under
the circumstances a rental arrangement made a great deal of sense, and
TWA’s willingness to extend All American a three-year lease worked
to the firm’s benefit. Such an arrangement was readily negotiated,
yielding All American 80 percent of Hangar 12’s floor space — nearly
40,000 square feet — for slightly less than $30,000 per year. In a
related move, All American put its existing headquarters at 210
Greenhill Avenue in Wilmington on the market, hoping to realize
$215,000 on the transaction after realtor’s fees had been paid. The
sale took much longer than the company anticipated; not until Sep-
tember 1949, was a firm offer of only $150,000 from the Wilmington
Appliance Company accepted. Long before this, however, All Ameri-
can was established in its new Washington headquarters. The first
meeting of the board of directors there occurred February 1, 1949.¹⁶

By this time the CAB had cleared up two remaining questions about
All American’s future. On January 11, 1949, it issued its long-delayed
verdict in what was now called the All American Airways, Inc., Sus-
pension Case. Although it had appeared nearly certain that the pickup
system was doomed to extinction, it was still not technically clear
whether All American would be permitted, or even required, to provide
continuing pickup service to the many small communities on Route
AM-49 that would not enjoy passenger service on the company’s
new route system. Indeed, in responding to the CAB’s decision in the

¹⁵ Minutes, Regular Meeting of Board of Directors, Oct. 26, 1948, box 7,
AAECC; interview with Wendt by Lewis, Sept. 11, 1980.
¹⁶ Minutes, Regular Meetings of Board of Directors, Oct. 26, Nov. 23, Dec.
28, 1948; Jan. 25, postponed to Feb. 1, 1949; and Sept. 19, 1949, all in box 7,
AAECC; interview with Wendt by Lewis, Sept. 11, 1980.
Middle Atlantic Area Case, All American had taken the position that it "would be willing to continue pick-up service in areas not covered by the conventional routes should the Civil Aeronautics Board find need for such service, and upon the willingness of that body to meet the high costs of small scale pick-up operations." 

In its new January 11 ruling, the CAB put this question to rest once and for all. First, it dealt with arguments to the effect that suspension constituted revocation and that the CAB lacked legal authority to revoke a certificate of public convenience and necessity unless a carrier had intentionally failed to comply with the terms of its certification. Here the board simply denied that suspension constituted outright revocation and, equally flatly, asserted that it did have the power to suspend. From here on, responding to pleas advanced by representatives of communities that stood to lose their airmail service if suspension were put into effect, the CAB dealt in considerable detail with the question of whether the constantly increasing cost to the government of the pickup service, together with the "steady decline of patronage by the public since the war," warranted continuation of the service. Its answer, buttressed by testimony presented by the post office department in support of suspension, was emphatically negative; after rehearsing a great deal of statistical and financial evidence, it argued "the present pick-up service gives a relatively small amount of benefit to a relatively small amount of mail in return for a substantial expenditure of Government funds."

Acknowledging that patronage of the pickup system might intensify if All American were permitted to engage in night operations, the CAB reasserted its earlier findings that the safety of such operations had not been demonstrated. As things presently stood, communities enjoying pickup service were being subsidized by the taxpayers in the rest of the country who enjoyed no such benefit, an obviously unjust situation. Based on all the evidence the board had heard, it concluded All American’s certificate authorizing pickup service on Route AM-49 should be indefinitely suspended, effective July 1, 1949, unless All American began conventional service on routes radiating out of Pittsburgh sooner. If the company took that step, the date such service began would become the date suspension of pickup operations went into effect. The pickup service had now been officially sentenced to death, and all that remained was to conduct the funeral ceremonies.

On the same day that this historic verdict was rendered, the CAB

17 Minutes, Regular Meeting of Board of Directors, May 25, 1948, ibid.
also resolved the remaining issue still lingering from the Middle Atlantic Area Case, namely All American's request to conduct conventional passenger operations between Pittsburgh and New York, serving a string of smaller communities en route, and also to fly a route connecting Atlantic City with New York. The CAB decided that Eastern was rendering adequate service on the latter segment and therefore turned down All American's Atlantic City-New York proposal. The other part of All American's plea, however, was convincing, for the corridor between Pittsburgh and Williamsport was bypassed by the main line of the Pennsylvania Railroad to the south and the New York Central to the north, making such communities as New Kensington, Indiana, Du Bois, State College, Bellefonte, and Lock Haven dependent upon circuitous surface transportation. East of Williamsport, better connections were available to New York by means of TWA and American, but in the interest of communities to the west, All American was certified to conduct flights between Pittsburgh and New York so long as it stopped at a minimum of three places and refrained from conducting nonstop operations between those two large nodal centers or between Scranton-Wilkes Barre and New York. The decision did not give All American everything it wanted, particularly in that the CAB eliminated a few of the smaller cities the airline had targeted. But the company did nevertheless win a major victory by receiving on a temporary three-year basis a route from Pittsburgh to New York-Newark via Indiana, Du Bois, Bellefonte-State College, Williamsport, Scranton-Wilkes Barre, and Stroudsburg-East Stroudsburg.19

All American advanced through the winter and spring of 1949 on a variety of fronts to prepare for the abandonment of the pickup service and the beginning of operations as a conventional carrier of passengers, airmail, and cargo. One by one, newly-modified DC-3s arrived and were added to the carrier's steadily-growing fleet while the unneeded Stinsons and Beechcrafts eventually were put up for sale. Legal proceedings were instituted to qualify the firm to conduct local business in the various states served by its newly-awarded route system, and new banking arrangements were made to facilitate the transfer of administrative and operational offices from Pittsburgh and Wilmington to Washington. Executives maintained a watchful eye on the company's capital reserves, which steadily shrank as new aircraft were acquired and preparations for the future proceeded apace. Despite a number of economies that had been effected in recent months

19 Ibid., 41-48.
to conserve funds, it became increasingly obvious that additional cash would be required, and the company negotiated a loan of $800,000 with the Reconstruction Finance Corporation, secured by collateral in the form of liens on the firm's aircraft, land, and buildings.\textsuperscript{20}

Company officials gave a great deal of thought to devising an orderly schedule of suspensions and inaugurations as conventional operations replaced pickup services. At a meeting held in early February 1949 at the company's new Washington headquarters, the board decided that the suspension process would begin March 5, when pickups on a portion of Route 49A, between Pittsburgh and Charleston, would be terminated. The next segment to go would be Route 49F, from Pittsburgh to Philadelphia, suspension of which would take effect March 26. Route 49B, from Pittsburgh to Cincinnati, would follow May 7; Route 49E, from Pittsburgh to Williamsport, May 28; and Route 49D, from Pittsburgh to Buffalo, June 18. Meanwhile, in a series of seven steps, the inauguration of conventional passenger service would take place, beginning with operations between Pittsburgh and Washington-Baltimore March 7 and proceeding at intervals to open the Pittsburgh-to-Atlantic City, Washington-to-Atlantic City, Washington-to-Philadelphia, Pittsburgh-to-Cincinnati, and Pittsburgh-to-New York City connections until the firm's entire system would be in operation by June 20 with the inauguration of service between Pittsburgh and Buffalo. A brochure providing detailed timetables and information on airfares was soon released; its cover showed an All American DC-3 winging its way over hills and valleys from one urban-skylined destination to another in a series of graceful hops. Heralding "A New Air Service Covering the Industrial Heart of America," it listed no less than fifty-two cities and towns that would be included in the company's network of routes, and identified the airports serving each. A map of the system showed a sprawling web of arteries fanning out in various directions from eight major nodal centers, and the brochure detailed such matters as reservations, baggage-handling, and insurance for prospective passengers who would "fly at 3 miles a minute in modern twin-engined airliners."\textsuperscript{21}

\textsuperscript{20} Minutes, Regular Meetings of Board of Directors, Oct. 26, Nov. 23, Dec. 28, 1948; Jan. 25 postponed to Feb. 1, 1949; Feb. 22 postponed to Mar. 1, 1949; Mar. 22 postponed to Mar. 29, 1949; Apr. 26, 1949, all in box 7, AAECC. By this time, a replacement Beechcraft had been obtained for the one lost in the 1947 crash.

\textsuperscript{21} Minutes, Regular Meeting of Board of Directors, Jan. 25 postponed to Feb. 1, 1949; Schedule and Route Map of All American Airways, Mar. 19, 1949; both in ibid.
During the late winter and early spring months of 1949, All American and its people strove to meet the company's self-imposed deadlines for the inauguration of passenger flights over the seven segments of newly designated Route 97. Love and others saw a well-planned and orderly changeover as imperative, particularly because the company had only a three-year temporary operating certificate from the CAB. Unfortunately, tardy deliveries of modified DC-3s, the complexities of pilot transition training, and the need to establish passenger services at scores of airports generated delays that marred the carefully thought-out schedule.22

Of special concern was integrating the newly hired personnel into All American's operations and familiarizing the old pilots with passenger flying. Norm Rintoul, the company's chief pilot and quite possibly the individual having the most skill and experience with the pickup, insisted that the new people fly the pickup at least briefly. He wanted them to gain an appreciation for All American's unique style of flying and get to know some of the veterans of the pickup routes. It proved a wise policy that helped smooth over the inevitable tensions between the two groups of individuals. Most of the pickup pilots and the flight mechanics (many of whom became copilots under the new scheme) moved easily through the transition process and completed the required two qualification flights over each route segment. As the chief test pilot, Lloyd Santmyer worked extremely hard with flying personnel during the route familiarization and qualification period.23

It took an almost herculean effort, but All American was ready to start passenger services as planned over the first of the new routes — Pittsburgh to Washington-Baltimore — on March 7. A handful of company executives, headed by President Love, saw off the 7 a.m. inaugural flight from Washington's National Airport. In the cockpit of the DC-3 were Norm Rintoul, who served as check pilot, Captain Tommy Kincheloe, one of the senior pickup pilots, and First Officer Frank Petee. Another official assemblage gathered at Pittsburgh's Allegheny County Airport despite cold, blustery weather and a limousine strike that had inconvenienced travelers for weeks. After brief ceremonies, the DC-3, captained by Ray Elder and with Don Mitchell in the right seat, took off for Washington. Among the passengers was Betty Sayre, a Pittsburgh nurse. Almost twenty years

22 Minutes, Regular Meeting of Board of Directors, Apr. 26, July 26, 1949, box 7, AAECC; interview with Petee by Trimble, June 11, 1986.
23 Interview with Lloyd C. Santmyer by William F. Trimble, Greensburg, Pa., June 18, 1985; interview with Petee by Trimble, June 11, 1986.
before, she had been on the first regularly scheduled passenger flight connecting Pittsburgh and the nation's capital.24

Everything went smoothly with the inaugural flights. There were brief celebrations at stops along the route, notably at Cumberland and Hagerstown, Maryland, and at Martinsburg, West Virginia. The other two roundtrips also went off without a hitch. But only two days later, the company had a brush with disaster when one of its DC-3s out of Pittsburgh suffered a fire in its left engine shortly after takeoff from Hagerstown. Captain Byron Moe reacted quickly to extinguish the blaze and made a safe emergency landing at Frederick, Maryland. Although no one was injured, and the passengers took another plane to Washington, the mishap, had it occurred only forty-eight hours earlier, might have been a serious blow to the company and its efforts to compete as a passenger carrier.25

Try as it might, All American had a difficult time adhering to its schedule for implementing passenger service on its other routes. Flights began as planned on March 28 over the Pittsburgh-Philadelphia-Atlantic City route. The Washington/Baltimore-Atlantic City connection opened on April 11 with a pair of daily flights, followed two weeks later by the circuitous Washington/Baltimore-Wilmington link. Operations between Pittsburgh and Cincinnati began on May 23, but the start of the important Pittsburgh-New York route,
with its eastern terminus at bustling Newark, had to be postponed from June 9 to June 20 because of the shortage of aircraft. The seventh and last connection, between Pittsburgh and Buffalo, scheduled to begin on July 1, was delayed until July 25. By then, All American had eight DC-3s in the air and was handling nearly twelve thousand passengers per month.26

Few airlines made as intensive use of their equipment as All American. Three roundtrips daily on most routes meant that the company’s green, yellow, and silver DC-3s were in the air an average total of nine thousand hours a month. It was not uncommon to make eighteen landings and takeoffs in an eight-hour period; on some routes, twenty-four were needed. This number of stops demanded a minimum of time on the ground. All American crews perfected a drill to cut stops to two minutes or less. Using new “air stair” doors, strategically located baggage hatches, preflight checks while taxiing, and radioing ahead with passenger lists, they were able to minimize delays. Sometimes the company’s agent handed small bags of mail to the copilot while the plane sat on the end of the runway awaiting clearance for takeoff.27 The “two-minute” routine exemplified the innovative character of the company in its efforts to gain a foothold in the feeder-line market.

Seemingly forgotten in the rush to inaugurate passenger service was the pickup, which had been All American’s reason for being in the first place. Because the CAB had ruled that passenger and pickup flights could not coincide, All American phased out the pickup in progressive stages as the new passenger routes were added. On April 11, All American removed its Beechcrafts from the pickup routes and began retiring the Stinsons from service. Only a month later came a shocking reminder of the inherent danger of flying AM-49. On May 11, a Reliant piloted by Captain Bill B. Burkhart, and with William J. Steinbrenner aboard as flight mechanic, crashed near the Harrison County Airport in Clarksburg, West Virginia. Burkhart and Steinbrenner were killed and the Stinson was destroyed. The accident cast a pall over the company as it was bringing the pickup era to an end. Frank Petee recalled that it was “devastating” and a “blow” to All American, which justifiably had prided itself in the excellence of its safety record. On June 30, the last airmail pickup flight left Pitts-

burgh for Jamestown, New York, on route 49D. Norm Rintoul was the captain and Victor Yesulaites was the flight mechanic. Both had worked with Lytle Adams in the early days of the pickup and both had amassed thousands of hours in the sturdy Reliants. On the return leg of the flight, Rintoul and Yesulaites made the final pickup at Natrona Heights, where ceremonies sponsored by the local aero club marked the passing of the pickup era.28

The last airmail pickup elicited sharp feelings of nostalgia among

"All American crews perfected a drill to cut stops to two minutes or less . . ." (and) "exemplified the innovative character of the company . . .""

those familiar with All American's accomplishments. The Pittsburgh Press on July 1 lamented the "end of a saga in world aviation history and airmail service to the 'common people.'" More than 628,000 pickups had been made over the years, and some 11,559,000 miles accumulated by All American's fliers. Norm Rintoul was determined that there be a physical as well as statistical reminder of the pickup. Fulfilling a pledge made to Richard du Pont before his death, Rintoul bought the black Pratt and Whitney Wasp-powered Reliant used for many of All American's experiments and presented it to the Smithsonian Institution less than a week after the pickup had been brought to an end. The plane is currently in the collection of the National Air and Space Museum's Paul E. Garber Preservation, Restoration and Storage Facility at Silver Hill, Maryland.29

It was one thing to look to the past; it was another thing to concentrate on the real challenges that faced All American during the critical years of 1949 and 1950. For one, opening the new passenger routes severely strained the company's finances. Through the first nine months of 1949, All American lost $587,000 and its fleet of DC-3s, which now numbered ten, averaged a discouraging load factor of 22.5 percent. Love took corrective measures to staunch the flow of red ink.

He secured permission from the CAB to suspend service at Frederick, Maryland, and Martinsburg, West Virginia, and to reroute flights from the Delmarva Peninsula to Dover, Delaware. He also cut the payroll to 392 people and appealed to the CAB to extend All American's temporary increased mail pay rate through March 1950. These efforts brought results in early 1950. Passenger load factors began an upward swing that pointed to even better results that summer. By the end of the fiscal year, June 30, 1950, All American had reduced its losses to $251,700.10

All American's strides toward improved operating efficiency gained momentum during 1950 and carried over into the succeeding year. In April 1950, Love initiated a more vigorous marketing campaign in the communities served by the airline, and the following month he announced that All American had reached an agreement with Capital Airlines to confirm reservations on connecting flights between common points on the two carriers' routes. Load factors reflected these changes, increasing to nearly forty percent in the fall of 1950. Most important in 1951 was the timely establishment of a route between Newark and Atlantic City that enhanced revenues from summer tourist traffic. Another new link between Harrisburg and Scranton-Wilkes Barre opened later in the year. Considerably brightening the financial picture in mid-1951 was the receipt of nearly $1 million in retroactive mail pay that allowed All American to retire a large outstanding debt to the Reconstruction Finance Corporation.11

Merger with a second feeder airline seemed, at least for a time, to be another means of enhancing All American's operations. Negotiations began in early 1951 with Robinson Aviation, Inc., a small carrier that in 1948 had received a certificate to fly routes from New York City to Albany, Buffalo, and Niagara Falls. All American had for some time been running Robinson's airport facilities at Newark, so there was a history of cooperation between the two firms. Love spearheaded the preliminary discussions with Robinson and kept his own board of directors apprised as the talks progressed through the winter. A break occurred while the CAB pondered permanent mail subsidy rates for the two potential partners, and the discussions were not resumed before the fall of 1951. Though unsuccessful in uniting

30 "AAA Seeks Route Revision," 36-37; memorandum, Love to Board of Directors, Feb. 23, 1950, box 7, AAECC; Minutes, Regular Meeting of Board of Directors, Jan. 24, 1950, ibid.; Listing Application, New York Curb Exchange, Sept. 27, 1951, 8, ibid.

the two airlines, Love's efforts helped to lay the groundwork for later negotiations that yielded a merger between All American and Robinson's successor companies more than twenty years later.\textsuperscript{12}

If All American's break with the past was not made sufficiently clear by the shift to passenger carrying and management's attempts to improve the level of operations, the changes came into sharp focus on April 1, 1951, when Hal Bazley submitted his resignation as vice-president of the company. Bazley had been with All American since 1939, was a favorite with the pickup fliers, and had assumed charge of the company upon the death of Richard C. du Pont. He left All American to take a position with Aerodex, Inc., an aircraft maintenance company in Miami. On January 22, 1952, he hitched a ride on one of that firm's Lockheed Lodestars to observe a test flight following maintenance procedures. The craft lost power in its right engine and crashed on takeoff, killing Bazley and four others. The loss of two former All American presidents in air crashes is one of the tragic coincidences in the company's history.\textsuperscript{11}

Employee demands for wage and salary increases, combined with the establishment of union representation, further transformed All American in 1949-1950. Because of the sense of common purpose engendered during the pickup years, the company had never been fertile ground for union organizers. With the advent of passenger service and the influx of new pilots, many of whom were already members of the Air Line Pilots Association (ALPA), that special relationship changed. In the spring of 1949, maintenance personnel joined the International Association of Machinists, while dispatchers were affiliated for a time with the Air Line Dispatchers Association. At the same time, the ALPA moved aggressively to secure contracts with companies operating new four-engine equipment and to reach agreements with the emergent feeder lines. Negotiations between the ALPA and All American opened in the fall of 1949, but little progress was made. Although money was an issue, many of the pilots had also developed a dislike for Colin H. McIntosh, the new vice-president for operations, whose heavy-handed style proved a major irritant. When an impasse developed in late 1950, the issue went before the National Mediation Board. There it lay for nearly a year before a strike threat by All American's eighty pilots and copilots in November 1951 forced

\textsuperscript{32} \textit{Aviation Week} 49 (Dec. 13, 1948): 48; Minutes, Regular Meetings of Board of Directors, Jan. 23, Feb. 27, 1951, box 7, AAECC.

\textsuperscript{33} Minutes, Regular Meeting of Board of Directors, Apr. 24, 1951, box 7, AAECC; \textit{New York Times}, Jan. 23, 1951.
the company's management, on December 1, to grant 12 percent pay hikes.\textsuperscript{14}

Love's attempts to shore up the company's finances brought mixed results. In All American's 1951 annual report, he said that he had the "pleasure . . . to show a marked change" and stressed that the small annual profit of $4,660 disclosed in the report forecast a turnaround. Passenger revenues were up nearly 50 percent over those in 1950, while operating expenses increased only marginally. The Engineering and Development Division in Wilmington showed a good profit and had a healthy backlog exceeding $1.2 million, mostly in government contracts connected with the demands of the Korean War. But Love's optimism could not have lasted long, for the 1952 financial picture was far from rosy. Passenger revenues leveled off at the same time the new pilots' contract markedly increased labor costs. By the middle of the year, All American had accumulated nearly $291,000 in losses.\textsuperscript{15} This unsettling trend became submerged, however, in momentous developments in 1952 that forever changed the character of the company and its activities.

Since at least 1942, All American's board of directors had considered splitting the firm into two companies, one to engage in airline operations and the other to carry out research, development, and engineering. The concentration of airline activities in Washington and the demise of the pickup stimulated further board interest in dividing the company. At its regular meeting on December 27, 1949, the board discussed the matter and agreed to establish a special committee to investigate it further. The committee recommended to the board on December 12, 1950, that the two divisions be separated, but the board took no action to implement this recommendation until 1952.\textsuperscript{36}

The postwar years had brought a major shift in the work of the Wilmington division. During the war, the group had concentrated more than 90 percent of its effort on the design and manufacture of pickup equipment, mostly for use in Allied glider operations. The bulk of these contracts were cancelled in 1945. Thereafter, the


\textsuperscript{35} \textit{Annual Report, 1951}, 2; Closing Papers, Separation of All American Airways, Inc., and All American Engineering Co., box 7, AAECC.

\textsuperscript{36} Minutes, Regular Meetings of Board of Directors, Jan. 24, Dec. 12, 1950, box 7, AAECC.
Wilmington division concentrated on acceleration and deceleration devices based on the pickup technology. These included aircraft barriers, arresting gear, catapults, ejection seats, and specialized landing gear developed under military auspices. A major subcontract for airship handling equipment from the Goodyear Aircraft Corporation helped guarantee at least two years of work for the division's 65 engineers and other employees. Because its activities were for the most part military in nature and unrelated to the business of air transport, the Wilmington division enjoyed a great deal of autonomy within the corporate structure.\textsuperscript{37}

It made sense, then, to push ahead with plans to separate the Engineering and Development Division from the Air Transport Division. The board came together in Wilmington on September 9, 1952, to discuss a detailed proposal for dividing the company. The plan involved stock transfers that were arranged so as to obviate taxable capital gains among shareholders in the airline. It received the overwhelming approval of the board, which, following a vote of proxies, sent it on to the stockholders in the form of a resolution outlining the proposed reorganization of the company.\textsuperscript{38}

The parting of the ways came on October 28. At their annual meeting, All American's stockholders approved a complicated process involving the sale of the Wilmington division to a wholly owned subsidiary, which would then be "spun off" as a new company, All American Engineering and Research Corporation. Payment was in the form of the transfer of 256,830 shares of stock at a par value of 10 cents per share. The new firm, which was incorporated on October 31, had as its president Charles W. Wendt, who, under the terms of the agreement, divested himself of his holdings in the airline. To avoid confusion, the name of the airline had to be changed. By this time, the company had established a definite regional orientation, with routes crisscrossing the Allegheny Mountain chain. Therefore, the board recommended, and the stockholders approved at their annual meeting, the name Allegheny Airlines, Inc. The change became effective January 1, 1953\textsuperscript{39} (and lasted until the company became USAir in 1979).

Taken together, the end of the pickup, the unionization of the ar-

\textsuperscript{37} Prospectus, All American Aviation, Inc., July 2, 1946, 8-9, ibid.; Listing Application, New York Curb Exchange, Sept. 27, 1951, 9-10, ibid.; Minutes, Regular Meeting of Board of Directors, Feb. 27, 1951, ibid.
\textsuperscript{38} Certified copy of resolution, Sept. 9, 1952, ibid.
\textsuperscript{39} All American Airways, Proxy Statement, Oct. 28, 1952, ibid.
line's employees, the splitting off of the Wilmington operations, and the name change demarcated the sharp break the company had made with its past. Robert Love's decisiveness in moving into the passenger era had not come without friction, and it had been costly. Yet it also had been necessary. The future of commercial air transportation lay with passengers, not with airmail; in fact, the long-term trend in Washington was to end airmail pay subsidies to the larger, more prosperous carriers. For All American — now Allegheny — to establish itself as a profitable competitor in the airline passenger business, it would have to anticipate and adjust to the technological and economic changes taking place within the industry during the remainder of the 1950s.
BLACKBERRY SYRUP FOR BOWEL COMPLAINTS

To two quarts of blackberry juice, add half an ounce each of powdered nutmeg, cinnamon and alspice, and a quarter of an ounce of powdered cloves. Boil these together to get the strength of the spices, and to preserve the berry juice. While hot, add a pint of fourth proof pure French Brandy, and sweeten with loaf sugar. Give a child two teaspoonfuls three times a day, and if the disorder is not checked, add to the quantity.

From a remedy book in the collection of Historical Society of Western Pennsylvania
Early 1800s