

I want to comment about one person listed in “We Remember” listing and make some clarifications and to share a little “behind the scenes” history. I make reference to page 6\* and E. Blaine Liles. His job title is shown incorrectly. Blaine was not “Stores Inventory Manager” but was the “Manager of Inventory Control”. Not every detail that I now mention is “pretty” so you may want to edit my comments if you decide to include this into a future news letter. I’ll leave the editing up to your decision.

The “Stores” were maintained by union personnel and I have forgotten their reporting channels although I think they may have reported up to the Vice President of Maintenance. The Inventory Control Department was part of the Purchasing Department and we were nonunion management personnel. Mr. Jeuel Schmidtke was the Director of Purchasing and he ultimately reported to William Goody (I think this is the correct name) who was a Executive Vice President/Treasurer of FAL back in 1967.

I was hired as an “Order Analyst” in the Inventory Control Department in 1967, ultimately reporting to Blaine Liles, at the mighty salary of \$425 a month. Not much for a family man with 2 kids, one needing costly medical care shortly after birth, when I was still in a probation period and thus had no medical insurance.

I indirectly reported to Blaine.

Two years later I replaced Blaine as Manager of Inventory Control. I took some “heat” as the person who replaced him. Blaine had been moved “upstairs” (in the new Denver facility) to be a special projects person reporting to Jim Arpey who was then the Executive Vice President of Maintenance. Jim had come in from TWA in 1969 (guesstimate), along with some other TWA executives. I cannot remember if this was when TWA disappeared but I remember the influx of TWA personnel so they must have been available..

Blaine was an unusual and somewhat unpopular manager and many FAL people either disliked him or feared him. He was very intense and not a patient or flexible individual. But, he was uncompromisingly committed and dedicated to FAL and particularly to the inventory process. FAL was pretty much his whole life as best I could tell. He was a single, middle aged man and he often worked late into the night trying to improve the computer formulas and make things work better and then show up the next day to start it all over again.

Inventory management was tricky as it tied up millions of the company’s dollars and there was always pressure not to over-invest in parts and spares as money always seemed to be in short supply and was needed elsewhere. Inventory value was reported as a cash account on the financial statements and thus there was often an evil eye watching any growth in inventories.

In the perfect world, Maintenance Departments would like to have several of everything on hand, so as never to have a “NIS” (not in stock) condition. Finance Departments, however, would want to minimize the unnecessary tying up of company dollars. The mission of the Inventory Control was to balance the needs of the Maintenance Department against the mandate of the Finance Department and to maintain a high service level at all times. As I recall, our monthly service level was pretty high by industry standards.

The FAL computers back then were of the vintage IBM 1400 series and were virtually obsolete. Reservations ran on a newer IBM 360 series. These are all gigantic, big box dinosaurs as compared to today’s computer technology as this was still about 15 years before the invention of the earliest PC. The 1400 series ran on IBM computer punch cards. The system generated “order cards” for inventory items and spit them out on a daily basis, after overnight updating runs detailing what had been issued by Stores the previous day and thus triggering “order points”. The formulas in the computer system had been written with so many flaws & bugs that my job as Order Analyst was to review each and every card, make corrections, revise quantities and create “buy quantity” recommendations for the Purchasing Department.

The Stores inventory consisted of some 39,000 line items of many dollar ranges. It was a multi-million dollar inventory. Over the course of time we supported the DC3s; CV580s; CV Darts; B727-100s; B272-200s; and eventually the B737s and Twin Otters. There are probably some aircraft that I am missing. In addition to aircraft & ground equipment parts, all office supplies, ticket stocks, baggage claim checks,

commissary items like napkins, salt & peppers, FAL toothpicks and everything else under the sun was in inventory. One has to remember that this was all before “Outsourcing” and before the “Just-in-Time” computerized inventory systems that work so well today in many industries.

We had so many non-aircraft inventory items that we were once granted an audience by Lew Dymond so that we could get some upper management direction towards reduction of line items. We took a sample of every “900-category” item and laid it out for display and discussion. I always remember the ten-zillion double-ended FAL toothpicks that had been ordered by the Director of Food Services.

When we started up the Boeing fleets, we followed Boeing’s “provisioning guidelines” and bought thousands of Boeing-recommended spares parts - spending millions to do so. As time went on, many of these parts went unused and as Manager of Inventory, I conceived of a “deprovisioning” program and arranged to return some \$3-million in parts to Boeing...to reduce our staggering debt with them for all kinds of purchases including aircraft. That was a challenge with old computer technology but I was proud to pull it off.

I left FAL late in 1969 and never knew what happened to Blaine Liles after that. I think he hoped to move upwards in management but that probably did not happen. He was bright and driven but he would probably not have fit in very well. I learned a lot from Blaine and had been one of the very few people who put up with the stresses of working for him.

The timing was such that things were starting to unravel and the ultimate demise of FAL may have begun and perhaps employees were starting to drift away.

Darren Weeks

(1/23/06)

\*Item from the We Remember list was:

Liles, E. Blaine

Date of death Mar 11, 1996

Age 65

Position: Stores Inventory Mgr. in DEN

Started at FL Jan 24, 1962

Date of birth Apr 7, 1930