

## **Airline Stock Report Awaited**

Arizona Airways was given permission to sell 25,000 shares of stock at \$10 a share without filing a statement as to its financial responsibility and that it was solvent, according to records of the Arizona corporation commission. Permission to sell stock was granted Nov. 6, 1945, and expires June 30, 1946. This airline company, which has as one of its directors an attorney, Ed Locklear, chairman of the Democratic central committee, has not filed during three months a report as to amount of stock sold and income and disbursements, as required by the certificate granting permission to sell stock, according to the corporation commission's records.

### **May Be There But Lost**

Mrs. Olwena Fraley of the corporation commission office said that, it was possible that the statement of the sale of stock, income, and disbursements might be in the commission office, but that the secretary of the commission is absent and she cannot find them. She expressed doubt they were in the files. Since Jan. 1 the commission has adopted a policy to hold hearings on applications to sell stock, which was not done before. The three Arizona corporation commissioners said, however, they were satisfied as to solvency and financial stability of the Arizona Airways and that officials of the Valley National bank endorsed the company in an oral statement as to finances.

(Glenn Taylor, vice-president of the Valley National bank, was given by Arizona Airways as a reference in its application to sell stock.)

### **Agreement With TWA**

The Arizona Airways stock was sold on the basis of an operating agreement with Transcontinental Western Air which was signed July 11, 1945, providing for Arizona Airways to operate certain airline routes in the state. If this agreement is not carried out, Arizona Airways was to repay the amount of purchases in Arizona Airways stock. The commission records also show that the Arizona Airways received on May 31 permission to take over the route of Grand Canyon Scenic Tours corporation between Nogales and the northern state line. The franchise for this route was granted in 1931. For the second time within recent months, Locklear is appearing as attorney for Arizona Airways.

Locklear is a resident of Prescott, the home of Yale McFato, Arizona corporation commissioner, appointed last fall to succeed C. William Peterson. W. J. Eden, corporation commissioner, said he knew nothing of the Chamber of Commerce airline traffic survey for service between Tucson and Phoenix. He said the hearing today was called on the basis of protests by residents of Phoenix and Tucson, and that he did not know details of traffic loads. He also said he has not inspected ships of either American Airlines or Arizona Airways nor determined whether there are maintenance facilities in cities served by the two lines. The other two commissioners, McFato and W. T. Wright, chairman, likewise said they have made no survey.

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