

LAMAR MUSE BLOG

Personal Thoughts on Lamar Muse

I just read a few minutes ago that Lamar Muse, Southwest's first President and CEO has passed away. Although I joined Southwest much later, I remember his role with Southwest during those early precarious days of our existence. The first thing I think of when I hear his name is that famous Southwest print ad that was used during the pivotal fare war with Braniff, when Southwest gave its customers the option of either paying Braniff's fare that was designed to run us out of the skies or taking home a fifth of premium liquor. Lamar's picture appears in the ad, next to big bold type proclaiming: "Nobody's Going to Shoot Southwest Airlines out of the Sky for a Lousy \$13."

If you have the book "Nuts", the tale of the "Lousy \$13" is on pages 31-33. I like the part where for two months SWA was the largest distributor of Chivas, Crown Royal and Smirnoff in the state of Texas.

I think one reason why that ad stands out in my mind, is that the Great Texas Fare War symbolizes the Warrior Spirit of Southwest Airlines. Lamar's response showed the airline world and our customers that we would fight to ensure our company's survival against almost impossible odds. Our Warrior Spirit, Servant's Heart, and Fun-LUVing Attitude were forged during those early days by our Original Employees under Lamar's Leadership.

M. Lamar Muse was a maverick and a genius, and without his strict control of costs and keen understanding of the airline industry, I doubt there would be a Southwest Airlines today. His legacy can be seen in every 30-minute turn, in the 3rd generation 737's SWA continues to purchase, in the "whatever it takes" attitude of the employees, and in Southwest's punchy, humorous ads. He built an airline with a soul.

I'd like to ask that Southwest forget whatever hard feelings there are left over his leaving and finally roll out a plane emblazoned with his name.

I know that I join my fellow Employees in sharing our sympathy with the Muse family.

-Brian Lusk
(2/6/2007)

"You can't say it's a shame.....a man of 86 years who has lived life to the fullest and succeeded beyond one's wildest dreams....who, in the process, made a lot of people rich. I guess you can say it's sad to see him go, it's true that he is seldom recognized for everything he did for the airline industry. We can also say that it'll be a helluva long time before the airline industry sees anyone else like Lamar.

I'll share a few memories that might not have gotten captured in the news articles.

Lamar was a very soft-spoken individual...so soft-spoken, in fact, that it was sometimes difficult to hear what he was saying. Many times, especially if you were a subordinate who had not accomplished what Lamar thought you should have...what he was saying when you finally heard it would curl your hair, cause insomnia, and curdle milk at 100 yds. A nice way to phrase it would be to say Lamar had a way with words, and could cuss someone in very low tones but there was never any doubt that you had been verbally ripped to shreds.

Lamar always thought of his employees as his team, and it bothered him somewhat when they organized.....not that he was opposed to unionism per se, but he always hated a union getting in the way between him and his people. As a result, he always wanted to make sure that the employee groups that did not organize got better pay and benefits than those who voted in a union.

After the \$13 war, when loads were getting bigger and better by the minute....one Sunday Lamar and his late wife Juanice flew in to Love Field and noticed that the gates were crowded, the employees were unbelievably busy...so they went home, made up a whole bunch of food, and brought it to the break room. A nice gesture, nothing outrageous....but stop and think about the last time you heard of an Airline CEO and his wife personally cooking up a bunch of food, with no prior planning or announcement, in order to make sure the employees got a bite to eat on their lunch break.

The profit sharing plans that Lamar put in to place ensured that all of the early employees...not just pilots and execs....but the rez agents, cabin cleaners, skycaps, everyone.....walked away millionaires after 25 yrs or so. Millionaires. Millionaire skycaps.

Lamar argued for years that his board room challenge / showdown that led to his departure from Southwest had nothing to do with his desire to install his son Mike as his heir apparent as Prez/CEO at Southwest...but most of us who were around will always believe that was the root of the problem. And while Mike is an okay guy.....those of us who were around will tell you that the kid he should have put in charge was his daughter Debbie.

Lamar was working for Trans-Texas Airways when they decided they had to have some aircraft to replace their aging ,and less attractive to passengers, DC-3s. They decided to try and buy some Convair 240s used from American. Earl McKaughan, president of TTA, told Lamar to try and get them down to \$250K apiece - can you imagine buying airlines for

\$250K? If I have the story straight, Lamar negotiated American down to a price of \$225K or so, and told American it was a deal. He then called Houston, only to be told that wasn't good enough, squeeze another \$10K or so apiece out of American. Having made a deal, and then getting back doored by the company the way he did was why Lamar left Trans Texas.

He was hired at Central to try and salvage a sinking ship. (*Lamar came to CN May 1, 1965 from SO where he had been vp-finance since March, 1962. Not many know Lamar was a CPA. - Jake*) Central had the worst routes, worst airplanes, worst service, and worse reputation of any of the local service airlines. When two of your really good stations are Lawton, Oklahoma and Fort Smith, Arkansas that ought to tell you something. (*CN's big stations were DAL, MKC, STL and OKC - Jake*) Lamar got ahold of Central, beat it in to shape.....tried as clever a pricing scheme as the CAB would let him get away with...fly anywhere on Central for the regular price and fly back home for \$10)...and within a few months had it more profitable than any of the other local service carriers. Then the people who hired him to save the airline sold it out from under him to Frontier, in the process octupling their investment. (*FL bought CN October 1, 1967. - Jake*) Imagine...800% return on your investment in two years.

Southwest is often thought of as Herb's airline, and you can't really diminish the fact that Kelleher took what Lamar handed him and managed to not "F" it up. Most executives would have messed it up immensely. But let's not, for one second, think that there would ever have been a Southwest Airlines had it not been for Lamar.

A couple of quick anecdotes for now.....I am reminded of when Lamar, in Austin, got the news on a Thursday afternoon that Southwest had received approval to start flying in and out of Harlingen...their first expansion outside the original three cities. He snuck off to a phone booth, called the VP-Ground Ops, and asked in a whisper if it would be possible to start service by Monday or Tuesday. Lamar was afraid Texas International would find a sympathetic judge to grant a restraining order. A measure of how loyal Lamar's folks were---the VP himself and the Dallas Station Manager loaded up a pickup with everything they could think of that they might need to open a station, left Dallas about 8 that night, rolled in to Harlingen Friday morning, and spent the next 72 hrs setting up a station. The first flight arrived from Houston, IIRC, on Monday morning at 9:20 am. The VP was the only one who passed the FAA's weather observer test on the first try, so he had to spend the week in Harlingen until they could train some folks and get them certified to take weather observations. When Southwest inaugurated service to Midland/Odessa and Lubbock the same day (5/20/77?) Lamar was supposed to ride the 7:30 am LBB to DAL, then catch the 8:30 DAL to MAF so he could be at both locations for the inaugural festivities. Well, fog in Dallas kept the 6:25 to LBB (which turned the 7:30 flight back) on the ground so ultimately Lamar hopped in rent car and headed for Midland/Odessa at about 100 mph (in that era of 55 mph speed limits), picking up 3 speeding tickets along the way.

Lamar's motto for the airline industry, which so few pay any attention to, was "feed the rich and grow poor, feed the poor and grow rich."

-Adam Stanger
(2/7/2007)

I join my fellow bloggers in sending condolences to the Muse family at the death of this legend of the airline industry. Growing up in Dallas, I well remember the impact that he had on TTA (Trans Texas Airlines, or as we called it, Tree Top Airlines) and Southwest. (and yes, Brian, I can remember seeing the "lousy \$13" ad in the Dallas Times Herald)

I agree with my pal Joe that for better or worse, Lamar Muse was a huge factor in Southwest becoming what we know it as. I also remember the white Muse Air planes that I'd see in Houston and the public rivalry that he fostered with his former employer. I never quite knew if it was as real as it seemed or was just a lot of hype to get more publicity. Maybe he was also an early pioneer of the sport that we now know as "trash talking" your opponent?

I certainly respect him for all that he accomplished, but to be candid, I lost a fair amount of respect trying to read his book "Southwest Passage". What started out as a nice history of Southwest turned into a very bitter condemnation of many of the people there. It would have been nicer to have written a less spiteful book and slipped away into our aviation memories as a fellow with several notable success stories under his belt.

But, from what Joe says above, he would not have been true to himself if he had done so. Apparently, there was a lot of vinegar in the soft-spoken airline genius, or to use the term that Herb used to define Mr. Muse's genius in the Dallas paper today, maybe he was just "cantankerous".

Is it just me, or does it seem like so many of our "legends", whether from the corporate world, sports world or entertainment world are leaving us so much more quickly these days? Maybe we just aren't growing new legends fast enough to replace them, or maybe us old fellas just aren't embracing the younger legends...

Thanks to Lamar Muse for all that he did to make Southwest a great airline!

-Scott near SMF
(2/7/2007)

I don't view "Southwest Passage" as spiteful at all. Mr. Muse simply wrote honestly about his tenure from his point of

view. I can only hope that when Herb's book (if he writes one; I sincerely wish he does) is published, it is filled with the same candor.

-Kim Seale

(2/7/2007)

First of all, "Ditto" to the suggestions above that there be an "M. Lamar Muse" SW 737 very soon. Whatever hard feelings may still exist from so many years ago at Southwest, it's been long overdue to get rid of them.

It was influences from this gentleman that got me interested in the business world and investing at all. I was a young, long haired music graduate from SMU at the time - the early years of Southwest Airlines, and reading about Southwest and Lamar Muse got me deep into the airline & investing bug. During the time Lamar ran Southwest (and for quite a while afterward) I clipped every article from the Dallas papers & the Wall Street Journal that said anything about Southwest Airlines - I still have them all. It caused me to go back to SMU and get a business degree. It was Mr. Muse that introduced me to operating metrics such as "Unit Costs per Available Seat Mile" which are discussed at length nowadays.

If any of you have not read "Southwest Passage", I highly recommend it. To me the book and the story that he tells are fascinating. Yes, you might detect a slightly biased side of Lamar's story here and there, but he supports much of it with copies of the memos he wrote back and forth to the Board, to Rollin, and the rest. He demonstrates the basic business and operating model/formula of Southwest Airlines and how the gradual expansion of service early on resulted in the profitable results that continue today.

This man would talk to me on the phone whenever I called him at Southwest, even if he didn't know me. He was personable at other public venues as well, always approachable.

I close with a quote I remember that was stated on an insert placed into the 1977 Southwest Airlines Annual Report in the spring of 1978: "Mr. Muse has left an indelible print of greatness at Southwest Airlines that will never be forgotten". God Bless you, Mr. Muse & the Muse family

-Drew

(2/7/2007)

As one of many aviation reporters for the now-defunct Dallas Times-Herald, I had the pleasure of covering Lamar Muse, when he and his son ran Muse Air during the 1980s. He was a great interview and an enjoyable fellow. He once told me that unlike many hard-charging executive types, he really did enjoy retirement - especially fishing in Canada. Who could blame him? Rest in Peace, Lamar.

-Melina

(2/8/2007)

Excerpted from <http://www.blogsouthwest.com/blog/personal-thoughts-lamar-muse>

-Jake Lamkins

(5/16/10)