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**F. E. (Pete) Howe****Rio Airways (To Name but One)**

Pete Howe would be the last to claim that his experience as president of a major commuter/regional airline was crowned with as much success as were the careers of those of his compatriots, such as Art Horst or Kingsley Morse, who were able to tuck away fortunes measured in millions when they finally sold their airlines to their dominant code-sharing partners. In his younger days, Howe had been a sportsman of no mean ability, and perhaps the apprenticeship of having to lose gracefully helped him to survive the vicissitudes of his subsequent career. In fact, Howe epitomizes the enterprising airline promotor who carved an important niche in the commuter airline scene and helped to shape the course of the industry, but who, like scores of others, was unable to emerge at the top of the heap when the nationwide auction for trunk airline affiliation occurred in the mid-1980s.

Howe's early years were not marked at first by the familiar fascination with aviation or close association with aviation people. Born at Burgettstown, Pennsylvania, on 30 April 1917, he graduated from the local high school in 1934, excelling as an athlete. His baseball prowess led to an offer from the Pittsburgh Pirates, but instead he took a football scholarship to Monmouth College in Monmouth, Illinois. He soon decided, however, that his future career lay in the business world. The decision may have been influenced by his marriage to Ruth Nelson on 3 February 1938, and the realization that athletic stardom has always been too elusive a target for all but a very privileged few.

Always impulsive in his approach to any challenge, Howe backed this quality with the ability to concentrate with great determination once a course of action had been decided upon. When he began a two-year bookkeeping and accounting course with a correspondence school in 1939, he passed the test in six months. He started work as an accountant with the state tax department at Harrisburg, at \$1,380 per year, but soon left to be a traveling auditor with the Singer Sewing Machine Company.



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In 1941 Howe joined his father in a strip mining operation in St. Clairsville, Ohio, but by then he was harboring two desires—to get into commercial aviation—and to live in Florida. He wrote a blind letter to D. G. Bash, the treasurer of National Airlines, then a small three-airplane airline based in Jacksonville. He included with his letter a picture of himself with his two daughters, the only recent picture he had, and Bash hired him for \$250 a month on the basis of the picture, not his credentials—Bash loved children! Bash told Howe that he would have to perform an audit immediately upon reporting for work on 1 May 1943. To gain some idea of just how to perform an audit, Howe read J. K. Lassiter's *Internal Auditing* on the bus between St. Clairsville and Jacksonville.

National was operated in buccaneer style by the irascible Ted Baker, who had run into trouble with the CAB over financial matters, and Howe's analysis of the problem and its successful resolution brought not only congratulations from the CAB's Warner Hord but also a doubling of his salary.

He subsequently became involved with the no-holds-barred struggle for routes as the airlines sought favors from the CAB. He well remembers National's bitter rivalry with Eastern Airlines, whose president, Eddie Rickenbacker, did not react magnanimously when, on 13 February 1944, the CAB awarded Baker a share of what had been Eastern's

“gravy-run” monopoly on the New York–Miami route. National’s entry into the market was modest enough, with a fourteen-seat Lockheed Lodestar. But when, in 1945, National put into service the first new Douglas DC-4 (not a military C-54 conversion), Rickenbacker threatened to kill National by scheduling Eastern flights five minutes before and five minutes after National’s.

Such competition was meat and drink to Howe, who thrived on cut-and-thrust challenges. Becoming more and more involved in airline affairs, he left National in 1951 to join the Hawthorne School of Aeronautics at Moultrie, Georgia, to broaden his knowledge. His name must by now have been circulating around the airline fraternity, for on 31 December 1952 he received a telephone call from Keith Kahle, head of Central Airlines of Fort Worth, Texas, one of the original local service airlines established by the CAB during the late 1940s, in a nationwide program to widen the scope of airline service to every community in the United States.

Howe joined Central Airlines on 1 May 1953 and stayed for ten years, until Kahle sold the airline to Jack Bradford, a Texas oilman from Midland. He worked for Caribair, at San Juan, Puerto Rico, for most of 1966, but soon returned to Fort Worth, as he felt that he had no control over what he was doing (even though he had no complaints over his contract with Caribair’s owner, Dionisio Trigo). He then served a tour with Transair, a Canadian regional airline based in Winnipeg, as its executive vice-president and later chief executive officer. But once again he moved on, this time, in the fall of 1968, to Atlanta, where a headhunter had convinced him to take over Nationwide Airlines, whose chief stockholder was Bill Evans of Cleveland. Howe immediately changed the name of the airline to Air South as he stepped up service to the Atlantic coastal resorts.

The restless search for a position in which he could fulfil his ambition reached its end toward the end of the 1960s, during a period when the commuter airline industry as a whole was expanding rapidly but individual airlines were booming or busting with equal rapidity. Howe felt that circumstances had combined to give him an opportunity to guide the fortunes of an airline himself and to be on the booming side of the economic equation.

While still working for Air South, on a visit to the Beech Aircraft factory at Wichita, he had met Mark Connell, twenty-one-year-old owner of Hood Airlines of Killeen, Texas, and had agreed to help him run the commuter company. The idea seemed promising, as the traffic base at

Killeen was the largest military establishment in the United States, and its busy connection to the trunk lines at Dallas was a solid base for possible further expansion.

Meanwhile, as part of his restructuring of Air South, Howe had undertaken a program of replacing a fleet of Queen Airls with fifteen-seat Beech 99s, for which he paid the excellent price of \$363,000 each. Then, at a company board meeting (which he vividly remembers, as it was held at the Master’s Tournament at Augusta, Georgia), the owners expressed the desire to buy much larger equipment, Martin 4-0-4s, from Southern Airways. In Howe’s words, he “was not about to write [his] own obituary.” Impulsive as ever, he left Air South in July 1971.

In helping Hood Airlines, he won a route to Wichita Falls before the Texas Aeronautics Commission on 15 November 1971, and with his contract with Air South expiring on 31 December, he moved to Killeen. Within a few months, Hood Airlines had taken over Rio Airways, which operated along the Rio Grande Valley but was abandoning its routes. In May 1972, Hood acquired Rio’s name as part of the depleted assets.

On 7 March 1973, the new Rio Airways started service to Temple, a city that had found a place on the scheduled air map but that had been successively abandoned by Essair, Pioneer, Continental, Braniff, and then Continental again. On 3 February 1974, Waco was added to the growing spoke network radiating from Dallas, and during the next three years gradual expansion brought in Texarkana, Hot Springs, Little Rock, and Lawton. In 1979, with steadily growing traffic, DHC-6 Twin Otters replaced the Beech 99s, and DHC Dash 7s and Swearingen Metroliners were later added. This a familiar aircraft improvement pattern in the early 1980s, as larger cities such as Memphis, as well as other points in an expanding sphere of influence, demanded larger aircraft.

To demonstrate just how precarious was the life of even a successful commuter airline in the 1980s, two developments occurred that made severe inroads into Rio’s traffic base. Austin, the state capital, which was only fifty miles from Killeen, was growing into a commercial center as well as an administrative one, and it began to receive substantial additional trunk line service after airline deregulation in 1978 allowed operators to dispense with long and irritating CAB procedures and objections. Then, when the air traffic controller’s strike of 1983 led to emergency measures being taken, Rio found itself at the bottom of the priority list at Dallas and lost 60 percent of its operating slots.

For two and a half years, Rio sought a solution by joining a major trunk airline in what was becoming an essential formula for survival.

Actions taken by the CAB in its twilight years had ordained low priorities on the computer reservation terminals for unaffiliated commuter airlines. Years earlier, the local service airlines had confronted local communities with a CAB-authorized "use-it-or-lose-it" policy. Now the large airlines used their corporate and financial strength to threaten the commuter airlines, warning, in effect, "use our system or lose your livelihood." Rio fell into line by becoming a unit of The Delta Connection on 1 June 1984.

In September 1986, however, Hugh Seaborn bought Rio Airways, and thereafter the connection fell apart. Rio's association with Delta ended on 14 December 1986. On 28 February 1987, the airline declared bankruptcy.

Howe was almost seventy years old by this time, and he decided that three score years and ten were enough. His career in commercial aviation had included tours with no fewer than seven different airlines. While he was able to control affairs, they seem to have prospered, but in almost every case they went downhill after he left. Howe would be the last to say that he was ever a man of compromise, and his refusal to be subjected to pressure over issues on which he felt strongly, especially when the future of his company was at stake, had led to a peripatetic career.

He has no regrets. In his latter years he continues to enjoy life, with an army of friends among his fellow commuter airline promoters. When he retired, three hundred of them gave him a surprise retirement party in Dallas and greeted him with a huge signboard that read "Thanks for 40 Heavenly Years, Saint Pete"—a reference to his annual sponsorship of a "heavenly" golf tournament in which he made all the rules. He may not have made a fortune, measured in hard dollars, but the popularity and respect he holds among his peers could not be bought for a king's ransom.