



Approved For Release 2006/02/09 : CIA-RDP75B00380R000400050013-3
CIVIL AERONAUTICS BOARD

WASHINGTON, D.C. 20428

December 13, 1973

JAT

Executive Registry

13-9334

IN REPLY REFER TO: B-1-31

OGC 73-2331
124 73-1462

Honorable Jack Brooks
Chairman, Government Activities
Subcommittee of the Committee
on Government Operations
U.S. House of Representatives
Washington, D. C. 20515

Dear Mr. Chairman:

This has reference to your letter of November 7, 1973, to the General Services Administration concerning the sale of Air America and Southern Air Transport. By letter dated November 29, 1973, GSA referred your letter to the Board.

Air America does not hold any operating authority from the Board. However, as your letter recognizes, Southern Air Transport holds certificates of public convenience and necessity as a supplemental air carrier, and proceedings for acquisition of the control of the carrier by Mr. Stanley G. Williams are in progress before an administrative law judge of the Board. However, on December 3, 1973, the carrier filed a petition (copy enclosed) requesting the Board to cancel its certificates and other operating authority issued by the Board effective as of December 30, 1973. It also has filed a motion for leave to withdraw the application in the acquisition proceeding.

In accordance with established Board procedures, all interested persons may file comments on whether the Board should grant Southern's petition for cancellation of its certificates, and the Board will serve copies of all notices and orders which it issues with respect to this matter upon the appropriate governmental agencies.

Sincerely,

Chairman

Enclosure

cc: ✓ Honorable William E. Colby, Director
Central Intelligence Agency

Honorable Arthur F. Sampson
General Services Administration

3-31

BEFORE THE CIVIL AERONAUTICS BOARD
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WASHINGTON, D. C.

RECEIVED
DEC 3 4 32 PM '73
CIVIL AERONAUTICS BOARD

In the matter of the Petition of

SOUTHERN AIR TRANSPORT, INC.

for cancellation of the certificates
of public convenience and necessity
authorizing it to engage in supplemental
air transportation and termination
of all exemptions

Docket No. 26176

PETITION OF SOUTHERN AIR TRANSPORT, INC.
FOR CANCELLATION OF CERTIFICATES
AND TERMINATION OF EXEMPTION AUTHORITY

Communications with respect to this
Petition should be sent to:

HOWARD, POE & BASTIAN
1701 Pennsylvania Avenue, N. W.
Washington, D. C. 20006

Attorneys for Southern Air Transport, Inc.

and

SOUTHERN AIR TRANSPORT, INC.
Post Office Box 1266
Miami, Florida 33148

In the matter of the Petition of :
SOUTHERN AIR TRANSPORT, INC. : Docket No.
for cancellation of the certificates :
of public convenience and necessity :
authorizing it to engage in supplemental :
air transportation and termination :
of all exemptions ----- :

PETITION OF SOUTHERN AIR TRANSPORT, INC.
FOR CANCELLATION OF CERTIFICATES
AND TERMINATION OF EXEMPTION AUTHORITY

Southern Air Transport hereby petitions the Board for cancellation of the certificates of public convenience and necessity authorizing it to engage in Supplemental Air Transportation and for termination of all outstanding exemption authority, such cancellation and termination to be effective December 30, 1973. In support of this petition Southern states as follows:

1. Southern is an air carrier holding certificates of public convenience and necessity authorizing it to engage in Supplemental Air Transportation (including inclusive tour charter authority) with respect to persons and property (1) between any point in any state in the United States or the District of Columbia, and any other point in any state of the United States or the District of Columbia (excluding intra-Alaskan operations); (2) between any point in any state in the United States or the District of Columbia and the American Samoa, Guam, Johnston Is-

land, the Marshall Islands, Okinawa, Wake Island, and points in
Australasia, Indonesia and Asia as far west as longitude 70

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degrees east via a Trans-Pacific routing; (3) between any point in any state of the United States or the District of Columbia, and points in Jamaica, the Bahama Islands, Bermuda, Haiti, the Dominican Republic, Puerto Rica, the Virgin Islands, Trinidad, Aruba, the Leeward and Windward Islands and any other place located in the Gulf of Mexico or the Caribbean Sea; (4) Worldwide pursuant to contracts with the Department of Defense. Southern also holds blanket exemption authority to engage in Supplemental Air Transportation of property in the Intra-Caribbean area, between the United States and Central and South America with piston aircraft, and outsize cargo movements with Lockheed Hercules L-100 type aircraft worldwide, cargo wet lease services for ALM between Miami and the Netherland Antilles and five cargo flights per month for Frigorifico between Santa Marta, Columbia and San Juan, Puerto Rica. A more complete description of Southern's certificate and exemption authority together with citations to the CAB Docket and Order Numbers is set forth in Exhibit A attached hereto and made a part hereof.

2. On March 1, 1973 Stanley G. Williams and Southern Air Transport filed an application pursuant to Section 408 of the Federal Aviation Act of 1958, as amended, seeking approval of Mr. Williams' acquisition of control of Southern. Hearings were held on that application during June and the matter is now pending before Administrative Law Judge Shapiro. A number of supplemental air carriers and scheduled air carriers are oppo-

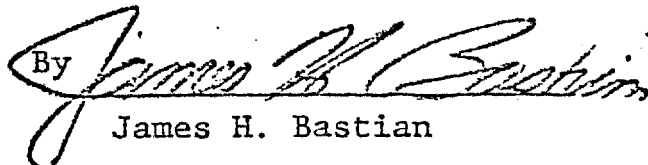
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sing the acquisition of Southern by Mr. Williams, and it would appear that final decision on the contested application will be extensively delayed by litigation. The parties to the acquisition feel that it would be to the best interest of all concerned if Southern seek cancellation of all of its Board authority and thereby terminate its status as an air carrier and accordingly the need for Board approval of the proposed acquisition.

3. Concurrently herewith, Southern has filed a motion for leave to withdraw its applications in the Supplemental Renewal Proceeding, Docket 23944 for inter alia renewal of its Trans-Pacific and Caribbean area certificate Authority. These certificates have expired and such authority has continued beyond such expiration date by virtue of the pending applications for renewal and the terms of Section 9(b) of the Administrative Procedure Act. Upon withdrawal of the applications for renewal Southern's domestic inclusive tour certificate and its Trans-Pacific and Caribbean area certificates will terminate. Also, concurrently herewith Southern and Mr. Stanley G. Williams have filed a motion for leave to withdraw their joint application in Docket 25264 for approval of the acquisition of control of Southern by Mr. Williams. Southern has no commitments to provide supplemental air transportation beyond December 30, 1973 and can phase-out its supplemental carrier operations now conducted pursuant to its certificates and exemption authority by December 30, 1973. Southern will continue operations beyond December 30, 1973 as a Large Commercial Operator pursuant to Part 121 of the Federal Aviation Administration Regulations.

WHEREFORE, Southern Air Transport respectfully requests the Civil Aeronautics Board to cancel certificates of public convenience and necessity and terminate all of the authority which it holds pursuant to exemptions, such cancellation and termination to be effective December 30, 1973.

Respectfully submitted,

HOWARD, POE & BASTIAN

By  James H. Bastian

Attorneys for Southern Air Transport, I

Certificate Authority

Domestic.

To engage in supplemental air transportation (including inclusive tour charter authority) with respect to persons and property between any point and any state of the United States or the District of Columbia, and any other point in any state of the United States or the District of Columbia (excluding intra-Alaskan operations). (Docket No. 13795 et al, Order No. E-23350, March 11, 1966). Inclusive tour authority expired on May 13, 1971 and has been continued by virtue of Section 9(b) of the Administrative Procedure Act and the Application for Renewal of that Authority which was consolidated in the Supplemental Renewal Proceeding Docket 23944. December 3, 1973 Southern filed a motion for leave to withdraw its Renewal Application which when granted will terminate its domestic inclusive tour authority.

Trans-Pacific.

To engage in supplemental air transportation (including inclusive tour charter authority) with respect to persons and property between any point in any state of the United States or the District of Columbia and American Samoa, Guam, Johnston Island, the Marshall Islands, Okinawa, Wake Island, and points in Australasia, Indonesia, and Asia as far west as longitude 70 degrees east via a Trans-Pacific routing. (Docket No. 13795 et al, Order No. E-24237, September 30, 1966). The Trans-Pacific Authority expired September 26, 1973 and has been continued by virtue of Section 9(b) of the Administrative Procedure Act and the Application for Renewal of that Authority which was consolidated in the Supplemental Renewal Proceeding Docket 23944. December 3, 1973 Southern filed a motion for leave to withdraw its Renewal Application which when granted will terminate its Trans-Pacific area authority.

Caribbean.

To engage in supplemental air transportation (including inclusive tour charters) with respect to persons and property between any point in any state of the United States of the District of Columbia, and points in Jamaica, the Bahama Islands, Bermuda, Haiti, the Dominican Republic, Puerto Rico, the Virgin Islands, and any other place located in the Gulf of Mexico or the Caribbean Sea. (Docket No. 13795 et al, Order No. E-24237, September 30, 1966). The Caribbean area Authority expired September 26, 1973 and has been continued by virtue of Section 9(b) of the Administrative Procedure Act and the Application for Renewal of that Authority which was consolidated in the Supplemental Renewal Proceeding Docket 23944. December 3, 1973 Southern filed a motion

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for leave to withdraw its application for the Caribbean area authority.
will terminate its Caribbean area authority.

DOD Contract

To engage in overseas and foreign air transportation, and in air transportation between places in the same territory or possession of the United States pursuant to contracts with the Department of Defense. (Docket No. 13795 et al, Order No. E-24237, September 30, 1966).

Blanket Exemption Authority

Intra-Caribbean Cargo

To engage in supplemental air transportation of property within Puerto Rico, within the Virgin Islands, between Puerto Rico and the Virgin Islands, and between Puerto Rico and the Virgin Islands, on the one hand, and Jamaica and the Bahama Islands, Bermuda, Haiti, the Dominican Republic, Trinidad, Aruba, the Leeward and Windward Islands, and any other place located in the Gulf of Mexico or the Caribbean Sea, on the other hand. (Docket No. 23856, Order 71-12-6, December 1, 1971).

Outsize Cargo.

To engage in supplemental air transportation of "outsize cargo" with Lockheed Hercules L100 type aircraft between points in the United States, on the one hand, and points in Central and South America, Mexico, Canada, Greenland, Iceland, the Azores, Europe, Africa and Asia as far east as (and including) India, on the other hand. This authority when taken together with Southern's Certificate Authority provides Southern with authority to perform "outsize cargo" operations worldwide. (Docket No. 21391, Order No. 72-4-70, April 14, 1972).

Central and South American Cargo with Piston Aircraft.

To engage in supplemental air transportation of property using piston aircraft between the United States, on the one hand, and Central and South America, on the other hand. (Docket No. 19648, Order No. 72-3-93, April 18, 1972).

Santa Marta Cargo Charters.

To perform five single entity cargo charter flights per month between Santa Marta, Columbia and San Juan, Puerto Rico on behalf of Frigorifico Cerra Meat Market. (Docket No. 25319, Order No. 73-5-65, May 10, 1973).

ALM Cargo Charters.

To perform for ALM Dutch Antillean Airlines cargo charter

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service from Miami, Florida to Netherland's Antilles pursuant to
Wet Lease Agreement CAB 23413-A2. (Docket No. 25599, Order 73-7-82,
July 17, 1973).

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