

## **Taylorcraft Corporation and Armour & Co.**

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The Taylorcraft Corporation, which flourished in Alliance between the years 1935 and 1946, begins with the story of C. Gilbert Taylor who might have become the Henry Ford of the aviation industry in the production of small airplanes, but fate decreed otherwise for both himself and three succeeding managements. Taylorcraft grew to become the largest industry in Alliance, employing 1,800 people, but the fluctuations and sudden market drop following the close of World War II combined with over-expansion difficulties, proved insuperable obstacles that threw the company into bankruptcy. But before the end came Taylorcraft had built up a superb plant north of the city that has become one of the great industrial assets of the community, giving stable employment to approximately 500 persons under its new ownership by Armour & Co., for two of its industrial divisions - the manufacture of coated abrasives and cushioning products. Coated abrasives are sold in both retail and industrial markets.

C. G. Taylor would never have come to Alliance except for the previous development of a flying field and hanger facilities by Hess-Argo. Don Kindig, now a master mechanic at Armour & Co., has been employed by all successive owners and managements at that location, from Hess-Argo to the present time. He has seen the facilities grow from the flying field under Hess-Argo to the present splendid buildings and equipment. Aubrey Hess and brother, Adrian Hess, came from Michigan and developed the Argo engine and plant at the Morgan Engineering Company in 1928. The Hess-Argo Company was formed with local capital. Fred R. Donaldson and other Alliance people put money into the company and Fred's son, Kermit, was associated with the Hess brothers in the operation of the small plant and flying field north of North Benton Road. The office was located where the guard office of the Armour & Co. is now located. No runways were built but the planes took off and landed on the open field. The company was in operation only about a year. At the peak about 50 or 60 men were employed, and 28 biplanes were produced. Charles Finley of Alliance, who plays with the Cincinnati Symphony Orchestra, had charge of the stockroom. Adrian Hess was killed in piloting an Argo in a test flight. The crash of 1929 forced the newly organized company into bankruptcy.

In the spring of 1930, J. E. Foster of Detroit took over the Hess assets and started the Foster Aircraft Company. J. E. Foster was chief engineer and Jack Hill in charge of the stockroom. The company was listed in the *Alliance 1931-1932 City Directory*. But the depression prevented the company from ever getting ahead. It was only operating a few weeks. Not more than 15 men were employed at the peak, and only 2 planes were produced. Then the company folded up and the flying field lay idle again.

Now we turn to the career of C. Gilbert Taylor. Rochester, New York, was his hometown. He early gave evidence of mechanical genius, and designed the first side-by-side light airplane, which was called the "Chummy." The plan had a 90 HP

Kinner engine and 34-foot wingspan. C. G. Taylor and his brother, Gordon A. Taylor organized the Taylor Brothers Aircraft Corporation in Rochester in 1927. It was the beginning of the barnstorming era, and the brothers demonstrated "Chummy" in numerous barnstorming exhibitions. Unfortunately, Gordon was killed in such a demonstration at Detroit in 1928, -due to his fellow flier grabbing the controls.

In 1929 C. G. Taylor moved to Bradford, Pa., accompanied by his father, Arthur Taylor, who was a master mechanic, and who took over the jigs and tools. From the beginning they were handicapped by depression conditions. Still operating under the name Taylor Bros. Aircraft Corporation, they first produced a glider, then put a little engine in, and sold it as the Taylor Cub until 1937 when it became the Piper Cub, named after a financial backer who became associated with the company in the early days at Bradford.

In February 1935 Taylor and Piper broke up. Taylor learned of the idle field north of Alliance, and came over on a Sunday morning to see George O'Brien, then secretary of the Alliance Chamber of Commerce. Taylor had no money but wanted to organize a company to produce small planes and was seeking loans with which to finance it. O'Brien lined up the building and machinery of the former Hess-Argo Company, and tried to line up \$50,000 in loans from the lending industries of Alliance, through the banks sponsored by them and some funds were secured. The Chamber of Commerce moved Taylor's equipment to Alliance. The Taylorcraft Aviation Corporation was formed with C. G. Taylor as president and treasurer. The company was capitalized at \$50,000 and Taylor owned all the stock. Most of the funds were finally obtained by C. G. Taylor from Frank L. Wherhan in New York City.

Kenneth W. Tibbits, who now runs a formed wire products shop at 34 W. Chestnut, was brought from Bradford by Taylor to be his works manager. Leslie Salcow also came from Bradford, as did C. G.'s father, Arthur Taylor, with his jigs, dies and tools. Raymond Coulson came from Bradford, Pennsylvania, as chief engineer.

Several years later the Taylorcraft Aircraft Corporation built cross-runways of about 1,000 feet in length. These were extended to 2,500 feet long each by subsequent owners. These runways show clearly in air views today but are closed. The survey is in the master mechanics office of Armour & Company and is dated February 1934. Twelve thousand feet of old fence was to be replaced with 10,000 feet of new fence. Other items were 4,180 feet of 4 inch drain tile, 1,670 feet of 6 inch drain tile, 1,430 feet of 18 inch vitrified sewer pipe, and 625, 6-inch fence posts. An open ditch was 1,300feet long. This land was purchased by the Taylorcraft Corporation and runways built.

Taylorcraft started operations in Alliance producing a newly designed side-by-side Taylorcraft plane, as contrasted with the front and rear tandem which he had designed at Bradford and which Piper had taken over. Piper threatened suit against Taylor allegedly for infringing his rights, but Taylor was within his rights in producing his newly designed plane that was his seventh design.

Under Taylor's presidency Taylorcraft Corporation grew to a production of eight

planes a day and 750 people employees, -one of the major industries of Alliance.

A fire occurred in the fall of 1939 or 1940 which burned a lot of airplanes, but Taylor, who was a devout Christian and a member of Jehovah's Witness, -was not disturbed by the loss of the planes, but was greatly upset by the death of a young man, C. Woods of Limaville, who went back into a burning hanger to save a plane, and got so badly burned that he died.

Taylor's management was continuously beset by financial and organization difficulties. Men kept working into the organization who gave him trouble. The city directory for 1938 listed the company as Taylor-Young Airplane Co., with C. G. Taylor president-treasurer; D. L. Zacharias assistant treasurer and Carl B. Wooten, secretary. Young was a former Goodyear man.

In 1939 the company name was Taylorcraft Aviation Corporation, with C. G. Taylor president and treasurer; A. J. Hoiles, vice-president; Richard H. Depew, vice-president treasurer and general manager; and David L. Zacharias, secretary and assistant treasurer. Depew's name was handwriting on the wall as he was the protégé of Fairchild interests, eastern financiers, who took over when C. G. Taylor withdrew in 1942. By that time Taylor's interest had dropped from 100% to 13%, but the growth of the company was such that the 13% was larger than the original 100%.

Fairchild sold out its interest to a new group and D. L. Zacharias was secretary-treasurer and J. C. Hart president and general manager; K. W. Tibbets, vice-president in charge of sales; R. H. Wendt, vice-president in charge of engineering; M. W. Third, assistant treasurer and personnel director.

Management of the Taylorcraft Corporation changed hands four times during the 11 years of operation. The last management was that of Nash Russ of Detroit who was chairman of the board, president and treasurer. There was a clean sweep in personnel, the other officers reported in the 1946 city directory being Bernard Russ, vice-president; Joseph S. Rodd, secretary; O. M. Bell, vice-president, manager; G. A. Bennett, personnel manger; John Lopeman, service manger; John Lamey, purchasing agent; J. A. Riley, plant engineer; Harold White, chief inspector; D. C. Romick , chief engineer; R. P. Hamilton, chief draftsman, and Paul Dietz, chief test pilot.

The Nash management kept expanding at a terrific pace. During the war the company built flaps and tops for Douglas. After the war there was a runaway market. The industry built 34,000 planes in one year. Planes that had sold for \$1595 at the beginning, were selling for \$2,700. Taylorcraft common stock shot up from 2-1/2 to 9. Taylorcraft was going like a house afire. Production of airplanes got up to 30 a day, with 1,800 employed. Wonderful new buildings were erected. The main building was 1,047 feet long, the office building 170 feet, and the eastern wing 500 feet, -a total length of 1,717 feet. Twenty-one buildings had 385,000 square feet of floor space, and the land area was 244 acres.

The industry had over-produced. There were not enough hangers and airport

facilities to take care of the flood of new personal planes. Suddenly the market dropped out from under the industry and Taylorcraft found itself with 90 planes on the field and going begging with no buyers. To add to its grief C. G. Taylor sued the company for \$1,000,000 in September 1947, charging that his name was misused in company advertising and that the airplanes now produced by the concern were inferior to those he designed.

In October Taylorcraft sued Taylor for \$2,000,000 damages charging that it had been libeled by statements in the petition and blamed the statements for the sudden loss of business.

On Saturday, November 8, 1946, 593 employees were dropped, following the filing of a petition in the Federal District Court of Cleveland asking permission to reorganize under Section 10 of the bankruptcy Laws. The filing of the petition automatically froze all available assets.

The company reported assets of \$4,982,659.18, and liabilities of \$2,807,189, or nearly 2 to 1. The company reported its inability to pay \$276,000 owing the Federal Government for withholding taxes; \$634,000 accounts payable; and \$130,000 due on interest and debt payments.

The petition for bankruptcy proceedings was denied and H. A. Hauxhurst of Cleveland was appointed trustee to handle the liquidation.

On January 10, 1947 Trustee Hauxhurst announced that Taylorcraft property would go on the public auction block within 30 days; that the book value of the plant and machinery was estimated at \$1,400,000; that the 80 planes on the field were valued at \$2,400 each, and that the total liabilities were \$2,702,485. The planes had been out in the weather for several months so the court permitted a 10 percent cut in the list price to get them moved.

The auction was held March 4 and 5, 1947. Rosen & Co. of Cleveland were the auctioneers and more than 200 prospective bidders were on hand. Approximately \$1,000,000 was realized from the sale. Armour & Co. secured the land and buildings on a bid of \$535,000. L. P. Kulka of Alliance bought the Taylorcraft jigs, equipment, goodwill and rights to manufacture the plane for \$32,150. He was acting for a group of Taylorcraft distributors and dealers in purchasing the rights to manufacture, which Kulka did to keep Taylor in Alliance. Only three planes remained unsold on the day of the auction and they were auctioned off for \$3,650 for the deluxe model down to \$1,800 on the \$2,400 list price. There was an immense amount of machinery, tools and equipment that was disposed of in 1,800 parcels.

Before following through with the Armour story, let us complete the C. G. Taylor story.

After C. G. Taylor withdrew from the company in 1942 he did consultant engineering. He set up the Gibson Refrigerator Company at Greenville, Michigan, to build C G 4A Gliders, and also the Ridgefield Manufacturing Company, Ridgefield, New Jersey. He became coordinator for nine companies building C G 4A

Gliders during World War II, and coordinated their tooling program. He was associated with three companies in Alliance: Aircraft Products Company, Air Metal Products Company and Taylor Engineering Company. These companies employed 250 persons.

The above companies were consolidated in 1945 with the Taylor Corporation at 825 S. Mahoning, manufacturers of washing machines. The company was listed in the 1950, 1952 and 1953 city directories, with C. G. Taylor, president and treasurer; Robert H. Taylor, vice-president and assistant treasurer; Arthur Taylor, vice-president, and Mrs. Carol T. Sharp, secretary. Government contracts broke the company during the Korean War, and Presweld took over. Mr. Taylor spent a year at Taylorcraft, Conway, Pa., where his side by side Taylorcraft plane is still being produced<sup>1</sup> and got them rolling. He left them March 2, 1956 and returned to Alliance to establish a business of his own, Products Design, Inc., designing small planes at 837 S. Mahoning. Small planes have always been his greatest pride and joy. He is now remodeling a twin-engine four-place executive type plane, -his eighth design, and -a very advanced type. He is to carry it through flight tests. He has been a pilot for 30 years. This plane is for the Monacoup Airplane Company of Florida. It will have two 150 HP engines, and many refinements<sup>2</sup>. He and his son, Bruce Taylor, are also designing a helicopter of flying saucer character for crop dusting; also a channel wing project with exceptionally low landing speed and high top speed. His present office and shop at 837 S. Mahoning Road is in buildings containing 3,600 square feet. Despite the numerous designs and inventions Mr. Taylor has only secured three patents. He dislikes the bother of getting patents.<sup>3</sup>

<sup>1</sup> Now discontinued (March, 1958)

<sup>2</sup> The plane is still in Alliance, the Monacoup Co. having been unable to go ahead on the account of financial limitations.

<sup>3</sup> Mr. Taylor's latest activity is in the dental equipment field. He is presently doing work for Weber Dental Co., Canton (March, 1958)