

June 9, 1947

TO: Mr. Amon Carter

SUBJECT: Globe Aircraft Corporation.

1. As you perhaps know, the Wheeler Aircraft Corporation of San Francisco and Tacoma, Wash., has bid \$906,500 for Globe facilities which the liquidating trustee was empowered to sell, with the condition that satisfactory arrangements can be made with the RFC for the main assembly building and machinery, for which they want an additional \$361,000.
2. The trustee, of course, reserved the right to reject all bids, and is anxious for a Fort Worth group to top the Wheeler bid and be sure that the plant stays in Fort Worth and that the Swift airplane is continued in production. Of course, the trustee also is interested in getting as much as he can in the sale because his compensation as trustee is on a percentage basis.
3. I have reason to believe that the trustee is not ~~not~~ satisfied with the Wheeler setup. In fact, he told me that there are some things he knows about them that he is not at liberty to talk about right now. However, if you are interested he probably would tell you. In fact, he has offered to come over and discuss the matter if you want him to do it.
4. Whether it would be best simply to outbid the Wheeler group, which would take a \$1,000,000 bid plus making a deal with RFC for the \$361,000 on main assembly building and machinery, or just wait and see what happens, is a question right now. The Wheeler group may turn out to be okay, or they might be depending on getting local or Texas support. Or they might wash out completely, in which case the deal might be swung for less, although the trustee contends that ~~enough~~ sufficient parcel bids have been made to assure them almost as much as the over-all bid of Wheeler. The trustee has intimated that he intends to go ahead with the ~~enough~~ parcel bids unless the Wheeler bid stands or some group outbids Wheeler. Others who have tabulated the parcel bids contend that they ~~are~~ fall short nearly \$250,000 of ~~enough~~ matching the Wheeler bid.
5. I have talked to quite a few people who should know, and the majority of them seem to feel that the Globe set up might even be worth as ~~much~~ much as \$2,000,000 if the purchaser planned to continue it as an aircraft plant and continued to manufacture the Swift along with other products. Completed airplanes and saleable Swift parts on hand should bring in over a half million dollars to the prospective purchaser shortly after the deal is made. Landing one substantial War Department subcontract for the plant would make almost any bid (within reason) seem like a bargain. The plant also ~~could~~ could continue to make Swifts on a moderate basis, and would be assured of a good Swift parts business. Another thing that nobody has said anything about is the fact that engineering on a four-place Swift is 30 per cent completed. The plans are in the vault at Globe.
6. Wheeler and his representatives are supposed to be in Fort Worth Wednesday for a meeting with the trustee and others. Decision on whether the bid will be accepted will be made Thursday. Wheeler and his group have plans to build a two-engine, four-place pusher type plane something like the Seabee, only it won't be amphibious. There are a number of possibilities in this deal. Percival's setup (the one Mr. Gerard is sponsoring) might even be worked in.

--Richbart