



INSIDE BUSINESS AVIATION

WILLIAM GARVEY

KAISER WAS AN INDUSTRIAL colossus, firmly supported on legs of steel, cement and aluminum.

Its various companies built cars, roadways, bridges, tunnels, dishwashers, dams—Hoover and Grand Coulee, among them—and even kitchen sinks. They mined and refined coal, iron ore, magnesium and a half-dozen other minerals. During the height of World War II, Kaiser's West Coast shipyards launched a new ship—troop transports, cargo carriers, frigates and tankers—every day. The companies employed tens of thousands of workers in the U.S. and abroad, providing health care for most.

All of it was attributable to the imagination, hustle and chutzpah of one man, Henry J. Kaiser, an entrepreneur some say belongs in America's business pantheon alongside Henry Ford, John D. Rockefeller and Thomas Edison.

And yet, once he retired in 1959 and turned his empire over to family successors, the drive to expand began to ebb just as the tide of foreign competition was rising. And by 1977—a decade after Henry J. died—so, too, did Kaiser's conglomerate, which was dissolved.

Among those who saw the end coming was Ron Guerra, then the chief pilot for the Kaiser flight department, which had been operating out of Metropolitan Oakland (California) International Airport (OAK) since its founding in 1946. Guerra's hiring by Kaiser in 1960 was a homecoming of sorts.

When Guerra was a boy, his father had a barber shop in an OAK terminal. Guerra attended the Academy of Aeronautics at OAK. After earning his Air Transport Pilot license on his 23rd birthday, he embarked on a professional flying odyssey with a series of nonscheduled carriers, but when his last gave him a choice of basing in New York or Tokyo, he began a job search that led to Kaiser. OAK has been his home port ever since.

Over the decades, Guerra flew members of the Kaiser family, other company executives and their guests all over the world, operating Gulfstreams, Hawkers, Falcons and JetStars, among other aircraft. After being asked to run the flight department, he steadily grew the operation. In 1977, the flight department became a subsidiary of Kaiser Steel, formally named KaiserAir, and began providing lift, maintenance and aircraft management for other companies.

A couple of years later, the steel company leadership decided to sell the flight operation. Guerra said: "Why

not sell it to me?" And in 1980, for \$150,000 plus all debt and the assumption of leases, the barber's son was suddenly president and majority owner of a 35-person aviation enterprise based at OAK.

The newly independent outfit (which, along with health provider Kaiser Permanente, were the only two commercial entities to retain the Kaiser name) continued as a charter and fixed-base operation (FBO) as well as aircraft manager and kept a steady path. However, its business expanded markedly a decade ago when a group of wealthy travelers needed lift to their vacation

homes in Kona, Hawaii. These were all members of the Kona Shuttle, which provided regular service to the Big Island via supplemental carriers using KaiserAir's OAK terminal. However, after a series of failures by those outfits, the president asked Guerra to take on the job. Not a small request. His company would need to acquire a California-to-Hawaii jetliner, upgrade the interior with 60 all-first-class seats, qualify the flight crews and—the biggest

Need Found and Filled

Chutzpah passed on



KAISER AIR

hurdle—earn FAA approval as a large aircraft carrier with extended flight operations, an all-encompassing, time-consuming undertaking with no sure outcome.

But Guerra embraces Henry J.'s philosophy: "Find a need and fill it." And the KaiserAir team did. They acquired a Boeing 737-700, reconfigured the cabin, trained the crews, flew shuttle flights under Miami Airlines' certificate and by 2011, had a certificate of their own (see photo). Today, KaiserAir flies two roundtrips weekly and more during holidays, with the club guaranteeing 104 roundtrips annually.

Guerra was so impressed with the 737 that he's since acquired two more, using them primarily for charter groups including the San Jose Sharks, Golden State Warriors, National Collegiate Athletic Association and rock groups, among others. When I visited him in late August, our conversation was interrupted by a caller looking to charter two Boeings immediately to bring travelers home from Hawaii before Hurricane Lane's arrival. He sent the one available.

As for what's ahead, KaiserAir, which now employs 150 people at headquarters and at a second FBO 60 mi. north in Santa Rosa, is acquiring and rebuilding two more hangars at OAK and, Guerra says, "We may get one more" 737 for possible shuttle service out of Los Angeles.

Henry J.'s "finding and filling" advice is still sound. ☛

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