

RED DODGE PLANES SEIZED BY COURT

Two Hercules cargo planes operated by Red Dodge Aviation, one in the company's hangar at Anchorage International Airport and the other at Fairbanks International Airport, have been seized and are to be returned to trustees in a bankruptcy proceeding against the Flying W Corp. of Wilmington, Del., the parent company of Red Dodge Aviation of Anchorage.

The corporation, of which Red Dodge Aviation is a wholly owned subsidiary, filed corporate reorganization bankruptcy proceedings

Thursday morning in Philadelphia in the midst of the repossession suit.

In that suit banks financing two of the Hercules airplanes used by the corporation were attempting to take possession of the airplanes for alleged nonpayment on a loan used to purchase the airplanes.

George Patterson, general manager of Flying W, said today that the bankruptcy proceeding would not impair operations of Flying W or Red Dodge in the state. He said the airline corporation would continue to operate.

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A federal court in Philadelphia has ordered the two airplanes to be returned to Wilmington, where they will be turned over to trustees appointed by that court in the bankruptcy proceeding.

Attorneys for the plaintiff banks took possession of the aircraft Monday and posted papers in the aircraft claiming default of contract agreements between the corporation and the banks. Flying W Corp. had allegedly borrowed more than \$7 million in April 1969 for purchase of the two aircraft.

The attorneys for the plaintiff had intended to take

the aircraft to Wilmington, but Flying W asked for, and received, a temporary restraining order from Superior Court Judge James M. Fitzgerald Monday to prevent removal of the aircraft from the state. The plaintiffs posted a \$20,000 bond.

Superior Court Judge Edward V. Davis continued the restraining order until noon Thursday, but later dissolved the restraining order at 10:15 a.m. Thursday.

Just before the restraining order expired, attorneys for Flying W Corp. announced that the corporation had filed a corporate reorganization bankruptcy proceeding in federal court in Philadelphia, and that the court had notified all parties that the property of Flying W was to be turned over to trustees appointed by the bankruptcy court.

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