

Gates Learjet president's life like action novel

By CHERI CROSS
A Territorial Special

Why would a 63-year-old executive who already has had a super-successful career take on a new challenge and responsibility at an age when most of his contemporaries are retiring?

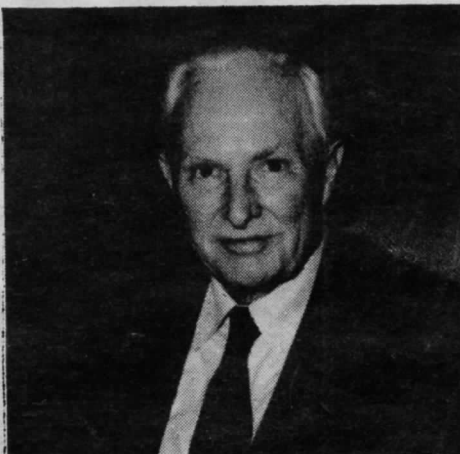
"Because I'm a workaholic," says James B. Taylor, president and chief executive officer of Gates Learjet Corp. "I wouldn't know what to do if I retired."

Taylor, now 64, took over the helm at Gates Learjet a year ago, and set out immediately to improve the financial status of the aircraft manufacturing company.

Taylor's credentials are impressive. He literally rose through the ranks while accumulating four decades of aviation experience, starting in 1940, when he worked on the production line with Grumman Aircraft. His marketing expertise has been in-

strumental in the progress of several companies he has been associated with since then.

Taylor was born in New York City and grew up in Long Island, the son of a famous Navy test pilot with the



James B. Taylor

same name, James Blackstone Taylor. The senior Taylor, who recently was nominated for the Naval Aviation Hall of Fame, was killed in a crash during a test flight just before his son entered the Navy. In 1942, the young Taylor was selected by the Navy to become an aviation cadet — the first to be named who had only a high school education.

As a naval aviator during World War II, he was an instructor, test pilot and carrier-based fighter pilot. Taylor says he never received a formal college education, but the training he received in the Navy was the equivalent.

He began his career in aviation marketing in 1946, as vice president for sales for Mallard Air Service, a distributor for the North American Navlon in the northeastern United States. Two years later he became

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vice president for marketing for Upressit Metal Cap Corp., a manufacturer of container closures for cans and steel containers. In two years, he was president and chief executive officer of Upressit.

The company was purchased in 1960 by American Flange Manufacturing Co., and Taylor became vice president and general manager of the company's Light Closure Division.

Taylor returned to aviation in 1962 as vice president of sales for Frederick B. Ayers & Associates, an aircraft brokerage firm, then a year later joined Pan American World Airways as vice president and general manager of the business jets division.

In 1969, as vice president and general manager of Cessna Aircraft Co.'s Commercial Jet Division, Taylor was responsible for marketing and support of Cessna's first business jet, the Citation. He pioneered the company's first direct marketing and support team, which took the Citation to worldwide sales leadership.

Obviously, his efforts were well recognized by the competition, for in 1976 he was named senior vice president of Canadair Ltd. of Montreal and president and chief executive officer of Canadair, Inc., of Westport, CT.

Taylor was named chairman of Canadair, Inc., in October of 1983, took early retirement in February of 1985, and was named vice chairman of the board and chief executive officer of Gates Learjet Corp. in April of 1985. He was elected to his current position of president and CEO on July 1, 1985.

When Taylor took over last year, there were some "real hemorrhaging problems," he explained. A private financial consultant was brought in to carefully examine each of the many programs that contributing to the "bleeding." As a result, Gates Learjet has been terminating or re-negotiating contracts that have not been profitable.

For instance, an amicable agreement was worked out with Rinaldo Piaggio of Italy to terminate the joint development of the Avanti GP-180 twin-engine turboprop, after delivery of the first three fuselages. And, as of June 30, Gates is out of a contract with General Dynamics to provide the tail cone of the Tomahawk.

"It cost us \$17,000, and we sold them for \$6,000 apiece," said Taylor.

In addition to the inefficiency of these programs, Taylor found that the ratio of direct vs. indirect costs of manufacturing were "way out of line." They determined that the "best way to operate was to build up the

aerospace business in Wichita and have all the airplane assembly here," he explained.

The parts for the Learjet are fabricated in Wichita and shipped to Tucson for assembly and finishing. The marketing operation also is in Tucson.

"We are now building the same number of airplanes as a year ago with less people," he says.

Large cutbacks were made earlier as company officials earlier planned to move to Wichita, but then decided to stay in Tucson. Since February, however, the Tucson employment numbers have risen from 616 to 820. Wichita has another 983, for a total of 1,803 in the company's aircraft division.

While the domestic market has been rather flat, Taylor says, the international market has been quite active. Part of this is due to increased interest in special mission aircraft and training applications by foreign governments. The company has been able to mate the mainframe with highly sophisticated electronic equipment to meet these specialized needs. Deliveries of special mission aircraft last year included three model 35s to the People's Republic of China for use as earth-resources camera platforms.

and sophisticated aerial photogrammetry. And a Learjet 36A was delivered for the Japan Maritime Self Defense Force for target towing, radar simulation and electronic radar jamming.

Gates Learjet Corporation's annual report for 1985 shows a net loss of almost \$23 million. But Taylor and Charles C. Gates, chairman of the board, are optimistic about the future.

"Major emphasis ..will be directed toward increasing aircraft sales and building a substantial backlog for 1987," they report, "expanding modification and refurbishment of aircraft, increasing aerospace subcontracting business and continued growth in sales and earnings...."

Obviously, Taylor has his work cut out for him, and he's hard at it every day, usually going into work at 4 or 5 a.m. to get a head start before the interruptions begin.

He and his wife, Margaret, have four grown children. Taylor spends a lot of time traveling, and has logged some 365 hours of flying time during the past year alone. But it's all been in the back of a Learjet; he's not rated to pilot the aircraft that he currently is selling (and is sold on)!