

Sale of Cascade to Florida firm nears completion

By The Associated Press

A San Francisco banker and a Florida businessman are close to securing majority ownership in Spokane-based Cascade Airways and plan sweeping changes in the airline's operations, including an expansion of its routes and fleet, says one of the new owners.

In a meeting in New York on Wednesday, Aero Space Leasing and Cascade's parent company, Vanguard Ventures, agreed that Vanguard will sell its 82 percent ownership in Cascade to Aero Space for about \$4 million, said Raymond Baszner of Sarasota, Fla.

Baszner is president of Aero Space, a firm he owns with Richard Davey, president of a bank holding company headquartered in San Francisco.

Cascade marketing director Mark Nilson said Wednesday that his office had not heard about the agreement.

A woman who answered Cascade President Mark Chestnutt's home phone this morning said he was out of town. Chestnutt, his father George and several other people own the remaining 18 percent.

The papers are scheduled to be drawn up today and signed Friday, Baszner said.

Under the reorganization, flights to the Tri-Cities might be added and his company might consider a direct flight from Pasco to "somewhere in California," Baszner said.

Cascade's 25-city network will be realigned to end much of the "head bashing" with Seattle-based Horizon Air, he said. And more profitable

routes will be sought to replace some of the current Cascade routes. He did not know which routes would be dropped.

"We'll continue in the Northwest and run south into California, Nevada, possibly Salt Lake, and maybe farther. It depends on what major airline we hook up with. We might abandon some routes and go halfway into others." Service to those regions could begin within three months.

Baszner also said that in a year or so he plans to begin passenger service in the Southeast and Northeast United States.

"Cascade no longer will be a regional carrier. We're going to spread out ... in two or three parts of the country." Baszner envisions routes from Florida to the Caribbean, Detroit,

Boston, Cleveland and Philadelphia.

"We decided we'd go in there with a different outlook with no paranoia that we have to continue the fight (with Horizon)," he said. However, Baszner added that Cascade will fight diligently in such busy markets as Spokane, Portland and Seattle.

Cascade and Horizon currently serve about 15 of the same cities.

Some top-level management will be replaced, said Baszner, who probably will become president of the airline.

Major charter and cargo services will be started, as will charter flights, to augment schedule flights.

Cascade is not fully utilizing its jet capabilities, he said.

Four of Cascade's eight Beechcraft 19-passenger planes will be used for night cargo operations.

Baszner said that to accommodate the additional routes and cargo and charter operations Cascade will lease two 52-passenger British Aerospace BAe 748s, four 119-passenger Boeing 737-200s and two or three 185-passenger Boeing 727-200s.

He is considering leasing four more 19-passenger planes in the next six months, and selling Cascade's five 79-seat BAC 1-11 jets that are valued at \$1.5 million to \$2 million each.

The 727s should be on line by November, the 737s by the end of the year and the 748s by September. The 19-passenger planes would be on line by January.

Cascade, which owns 18 aircraft valued at about \$20 million, has been on the market almost since it was formed.