

A G E N D A

July 12, 1976  
Jones Law Building  
311 Ross Street  
Pittsburgh, PA

Room 318

1. Lynn Singer (BBB)

9:30 - 3:00

Jean Ann Fox and Guests

3:00

Debbie Flood - prob. legit. Q re misch. of assets, structure of  
Elkin Tours bus. generally

4:00

Mrs. Keith Friday - Q re ATC + IOTA; segr. of funds  
Gulliver Travels

July 13, 1976  
Jones Law Building  
311 Ross Street  
Pittsburgh, PA

Conference Room - 9th Floor

9:30 a.m.

*withholding Italian club*  
Jerome Meyers, Esq. - Filed civil suit + pushed crim. acct.  
Crafton Travel

10:45 a.m.

Lucie Simeoni *legit. - ask about fin. reg. for running*  
Ann Egan Travel *business - capital.*  
(knows all dirt)

2:00 p.m.

Roy Davis, President (Royal Travel)  
Western Pa. Area Travel Association (ASTA)

3:00 p.m.

*we sell* Jean Schnarrenburger (Schosenberger?)  
Fun Travel Service

Room 318

4:00 p.m.

Harry Stump, Esq.

5:00 p.m.

James Joseph, Esq. - Atty. for 2

Escorted Travel, Ltd. - Sue Crafton Williams  
(412) 775-8849

Flight schedule for Kozloff, Sobel and Mundel --

Leaving Harrisburg to Boston: Harrisburg International to Logan Internat.

Aug. 2, flight #2 (confirmed) at 11:08 a.m. arriving 12:11 p.m.

Return from Boston to Harrisburg:

Aug. 4, flight #211 (confirmed) at 3:50 p.m. arriving Hsbg. 5:02 p.m.

Room reservations at Howard Johnson's Motor Lodge (617 482-1800) Park Square,  
200 Stuart Street, Boston.

for Aug. 2 and 3 (guaranteed reservations)

three singles with double bed

each in the name of Kozloff, Sobel, Mundel

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August 13, 1976

Telephone conversation with Ann Trishock, Consumer Protection Bureau, Pittsburgh

RE: Travel Agencies

Rege Koneley, President

Robert Wayne Kontowicz (brother or -in law)

Incorporated as Horny Toad Inc.

Mrs. Kontowicz, possibly secretary

Printing company --

Alias Travel Consolidation

Alias Leisure Leisure (club)

Alias Aeronauts (club)

Alias <sup>Regal</sup>Wrinkle Travel

Robert Pierce their counsel

Lando Advertising (printing outfit)

United Buyers Service (discount agency)

(Dunn & Bradstreet has file)

Complaints:

Somewhere along the line they have gone under.

Rip-off - collection of money and no services rendered.

Took money after the CAB shut him down.

125 complaints filed on Leisure thru time.

Refund checks went out giving 22¢ on the dollar (Leisure)

None are in existence. Two years average life span. IRS looking into him. (Put together file and get names of those who will give testimony.)

Regis is now involved in the Market Square Travel. Four complaints against him and not resolved.

Telephone conversation - cont'd

- (1) Had to pay extra for transportation included in the trip--got money back.
- (2) Got tickets but didn't get transportation. (above two are Super Bowl)
- (3) Las Vegas trips - not resolved
- (4) trips not resolved

Louis J. Grippo, esq. -- woman complained no confirmation of trip, no flight number, supposed to fly to Chicago from Pgh. was paid for so they cancelled-- couldn't get information. They kept \$20 from each of them. Wrote to him but never got the problem resolved.

Travel King - Super Bowl -- didn't get the complete package. Didn't get ground transportation.

Your Man Tours: Too much selling of trips. Get a lot of calls -- hotels substandard. Address is Martha Hanlon, Sr. Travel Consultant, P. O. Box 15500, Pgh., 15244 (246 Washington Road (Mt. Lebanon). Complaints with tours and service--dissatisfaction. Left tour because of death, inadequate accommodations-- value type of thing.

Address Horney Toad -- non available.

Lando Adv.

United Buying, 325 Grandview

On the list of creditors and liabilities of \$400. List of creditors they put together over Leisure International -- came from the court or something.

\$136,000 paid to Hotel Castaways in the Bahamas for future trips

Possibility of kickback.

Joe



HOUSE OF REPRESENTATIVES  
COMMONWEALTH OF PENNSYLVANIA

MEMO

August 9, 1976

**SUBJECT:** Meeting with Civil Aeronautics Board in Washington, DC, Friday, August 6

**TO:** Louis B. Kozloff

**FROM:** Marvin J. Mundel

Jack Yohe will notify us as soon as he has searched his files for Pennsylvania horror stories going back one year. After such notification, we can arrange at any time to go back to Washington to go over these horror stories.

Mr. Eilenberg - General Counsel  
Mr. Sternberg - Assistant Counsel

The Dockets Room will send us a zerox copy of the files (Docket No. 29165)  
(Licensing of Indirect Carriers and Consumer Protection Provisions)

Bureau of Operating Rights, Supplemental Services Division,  
Ann E. Helms, Transportation Industry Analyst (might wish to subpoena)

A short review of her files indicated that there might have been CAB regulation violations or even false statements submitted to CAB in the super-sting rip-off in Pittsburgh. A more thorough search of her files might be in order.

I shall contact Jean Fox this week to ask her about a complete list of all Western Pa. travel rip-offs (parties involved, dates, etc) in the last three years. I hope to obtain a similar list of Western Pa. rip-offs from the travel agent of the Philadelphia Bulletin or at least a list of dates of rip-off stories so that I can follow it myself.

After we obtain this list of Pa. rip-offs, we should write or call Ann E. Helms and she will dig up the files.

Another benefit of this file search is that we will be able to see samples of actual contracts in perspectus. These files might turn out to have more potential for our hearing than any other information we can get from the CAB.

There also is indication that the Ponzio (super sting) did not have the Super Bowl tickets when he indicated that he did, there is also a possibility that he did not distribute copies of the contract to the customers.

Tim Mahoney, Enforcement - He told us there was very little he could do for us until we can cite him specific files of possible violations of CAB regulations or the FAA.



## HOUSE OF REPRESENTATIVES

COMMONWEALTH OF PENNSYLVANIA

HARRISBURG

September 10, 1976

John T. Forry, Esq.  
Office of the District Attorney  
Berks County Courthouse  
Reading, PA 17567

RE: Schoolroom Tours

Dear Mr. Forry:

As per our telephone conversation of this date, I enclose a copy of House Resolution 199, which empowers and orders the House Committee on Consumer Protection to investigate the travel industry in Pennsylvania.

Inasmuch as your office is handling the prosecution of William P. Orr of Schoolroom Tours for Theft by Failure To Make Required Disposition of Funds in connection with tours allegedly sold by the defendant, I ask the assistance of your office in providing our committee with whatever information you can release to us in connection with the above.

We are especially concerned with any legal arrangements existing among Mr. Orr, Schoolroom Tours, its customers, and those who were to provide, directly or indirectly, the services sold to the ultimate consumers. We would particularly appreciate any written contracts evidencing such arrangements.

As you related in our conversation, we are free to contact Trooper Michael Titus of the State Police in Reading, who conducted an investigation of the Schoolroom Tours matter and submitted his report to your office. Further, I understand fully your inability to make full disclosure of the names of complainants who may serve in the near future as prosecution witnesses, and I will recommend to the committee that such complainants not be subpoenaed during the course of our investigation.

Thank you very much for your cooperation. We look forward with interest to and wish you success in the final phases of your prosecution of this matter.

Sincerely,

Joseph Sobel  
Legal Counsel  
Consumer Protection Committee

JS/my  
Encl.



HOUSE OF REPRESENTATIVES  
COMMONWEALTH OF PENNSYLVANIA

MEMO

September 1, 1976

**SUBJECT:** Investigation Which Needs to be Completed by Attorney Sobel

**TO:** Joseph Sobel

**FROM:** Woody Kozloff

*Woody*

- I. Prepare questionnaire that can be asked to all those persons who filed complaints with the Federal Trade Commission and others who are on record as complainants against travel agencies, wholesalers, tour agencies, etc., and on file with either FTC, or the Bureau of Consumer Protection, or the Allegheny County Consumer Protection Agency, or the Better Business Bureau, or any other source from which we have to draw complainant names from.
- II. Prepare a written memorandum of each complainant's response to each of the questions in the questionnaire.
- III. Secure all contracts of tour promoters, wholesalers, retailers who are on file with the CAB with regard to all instances of wrong doing that have occurred in the Commonwealth and for which we are currently aware or will become aware through information being supplied to us by various agencies.
- IV. Prepare a memorandum on your analyses of these contracts and your recommendations as to how they should be used in the public hearings.
- V. Prepare a written memorandum detailing how any of the tour promoters, wholesalers, retailers who are the subjects of our investigation have violated any Civil Aeronautic Board's regulation or any statute of this Commonwealth or Federal government.
- VI. Prepare a written memorandum of your recommendation on how this investigation should be further handled and brought to its conclusion.
- VII. Prepare a written memorandum on your personal recommendations on what may be the legislative solutions to this problem and any recommendations that the Pennsylvania House of Representatives should make to the Federal Trade Commission and the CAB.



FEDERAL TRADE COMMISSION  
Boston Regional Office

Room 1301  
150 Causeway Street  
Boston, Massachusetts 02114  
Area Code (617) 223-6621

9 June 76

Mr. Louis B. Kouzloff  
Executive Director  
House Consumer Protection Committee  
State Capitol  
Harrisburg, PA 17101

Re: House Investigation of Travel Agency Business

Dear Mr. Kouzloff:

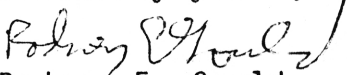
I read in a recent issue of The Travel Agent that your committee was soon to launch a statewide probe of the travel agency business.

As you might know, the Federal Trade Commission is conducting a nationwide investigation of tour operators, tour wholesalers, travel agents and others engaged in the arranging, contracting, promoting, advertising, offering for sale or sale of travel services, accommodations, and package tours to determine whether such industry members have been or are now violating the Federal Trade Commission Act.

In particular, we will be focusing upon such areas as the failure to provide advertised items, hotel overbookings, unreasonable cancellation penalties, itinerary changes and the question of liability should a package tour not materialize as advertised. For your information I am enclosing a copy of our press release.

Any suggestions or information you have regarding apparent abuses of consumers by individuals or agencies in the travel business would be of great assistance to us, as would copies of any consumer complaints you may have received. We look forward to hearing from you.

Sincerely yours,

  
Rodney E. Gould  
Assistant Regional Director  
Boston Regional Office

Enclosure a/s

*Marvin*

LAW OFFICES  
**MEYERS & KEYSER**  
SUITE 300-103 OFFICE COMPLEX  
MONROEVILLE MALL  
MONROEVILLE, PENNSYLVANIA 15146  
TELEPHONE (412) 373-3520

JEROME M. MEYERS  
SHELDON L. KEYSER

July 14, 1976

806 FRICK BUILDING  
PITTSBURGH, PA. 15219  
TELEPHONE (412) 261-3273

Mr. Louis B. Kozloff  
Executive Director  
Committee on Consumer Protection  
Room 150  
Main Capitol Building  
Harrisburg, Pa. 17120

Dear Mr. Kozloff:

As I indicated to you yesterday, I am forwarding to you herewith a copy of a newspaper called The Citizenship, which I received during the course of our litigation against Sue Crafton.

On page 1 of the paper, you will note that the club's attorney was James Joseph and that the address of the corporation was moved to his office in the Grant Building. On page 2 there is reference to Sue Crafton. On page 3 there is an article entitled Reservations - Barb Sigman. Miss Sigman was, and perhaps still is, Mr. Joseph's legal secretary.

Very truly yours,

*Jerome M. Meyers*  
Jerome M. Meyers

JMM:mm  
Enclosure

*mm*  
*1-14-76*



Summary of Notes From Meeting With the CAB, Washington, DC, September 16

Conversation with Mr. Mahoney, Enforcement Bureau

Many air travel clubs have not even applied for a certificate with CAB and many consumers don't know this (Aeronautics).

Fred Laker tried to set up a group.

Major charter carriers - Pan Am, United, O&A, Travel International, and Capital

Source of complaints come into the CAB through:

1. Individual complaints (individuals, letter, etc)
2. Formal complaints by attorneys
3. Third party involvement (consumer groups, etc.)
4. In-house (anonymous tips, etc.)
5. Consumer advocate in CAB
6. Other bureaus of CAB - for example, Approval Section, Ann Helms, etc.

The airlines, since they are subject to many CAB regulations, usually police violations involved in regard to charters, in regard to wholesalers, etc.

The CAB does not have the authority to cancel flights. Many fly-by-night operators, if they cancel their flights blame the CAB. But what really happened was that the promoters had committed such serious violations of CAB regulations that they didn't want to hold themselves liable for stiff civil penalties at a later date, that is why they cancelled. There are many fake affinities in the Philadelphia area. ABCs will pretty well cut out GITs.

Leisure International

Leisure International started selling less than 15 days after filing a prospectus which was already an accomplished fact (Enforcement - Mrs. Beverly Gordon). They filed three days before the flight.

John Smith, Consumer Advocate Office

California has good law. The major weaknesses of CAB regulations is that no prior proof of actual contract between promoter and provider of services is required.



*Capey Woody*

# Forbes Travel Service

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*Complete Travel Arrangements*

Larry Maloney

Ed Siegel

5845 FORBES AVENUE - PITTSBURGH, PENNSYLVANIA - Phone 521-7300

October 2, 1976

Mr. Joseph Sobel  
House of Representatives  
Main Capitol Building, Box 209  
Harrisburg, Pennsylvania 17120

Dear Mr. Sobel:

This letter serves to formalize our invitation to you and Mr. Kozloff to attend the Western Pennsylvania ASTA meeting at the Pittsburgh Press Club on October 20. We hope to meet both of you at approximately 6 P.M. for cocktails and dinner, with a prepared question and answer session to follow dinner.

We intend to follow your guidelines as to the direction of our questions and hope we may mutually benefit from the open discussion concerning our industry.

Should you have any questions or need any assistance until we meet, please feel free to contact me at any time. I look forward to meeting you and Mr. Kosloff in Pittsburgh.

Sincerely,

Edwin R. Siegel  
Program Director