

NYTimes JUN 23 1974  
**Air America Selling Plant in Taiwan**

Special to The New York Times

TAIPEI, Taiwan, June 22—Air America, the charter airline that has often been linked to Central Intelligence Agency activity in Southeast Asia, is negotiating to sell its highly regarded aircraft maintenance and repair facility on Taiwan.

The maintenance center, in the southern city of Tainan, is run by Air Asia, a subsidiary of Air America.

The prospective buyer is E-Systems, Inc., a Dallas-based concern that also has a subsidiary in the aircraft repair business. E-Systems, formerly known as LTV ElectroSystems, was once part of the Ling-Temco-Vought organization but was sold.

Earlier this month Air America announced the impending cessation of flights in Thailand and the sale of its maintenance operation there to a local company.

The airline also recently left

Laos, where it had long been active in transporting troops and supplies to aid the C.I.A.-run "clandestine war" against the Communist-led Pathet Lao guerrillas. The recently formed coalition Government, in which the Pathet Lao is represented, asked Air America to abide by a June 4 deadline it set for the departure of all foreign military units.

Air America flights are now carried on only in Cambodia and South Vietnam. The company has chartered aircraft to both the American Embassy in Saigon and to the International Commission for Control and Supervision.

But many employes of the company expect it to go out of business altogether within a year. The reduced United States military involvement in Southeast Asia removed its major function, they say, and continuation of operations in a purely commercial capacity is ham-

pered by the airline's strong identification with the C.I.A.

As a result of the decreased activity, the company recently phased out its regional administrative office in Taipei, moving remaining personnel to the maintenance center in Tainan. Last week workmen removed the giant letters spelling out "Air Asia" in both English and Chinese from an office building on Taipei's main avenue. Air America-Air Asia offices previously occupied six of the building's nine stories.

The Tainan maintenance center, employing 2,800 people, has been primarily servicing United States military aircraft under contract.

The center now handles an annual average of about 500 aircraft of all types, down from a peak of more than 800 at the height of the Vietnam war. A growing percentage of Air Asia's business is now with civilian aircraft.