



TWENTY SECOND EDITION

• 1961 •

***FACTS***

*and* ***FIGURES***

*about*

**AIR TRANSPORTATION**

OFFICIAL PUBLICATION OF THE AIR TRANSPORT ASSOCIATION OF AMERICA

THE STANDARD REFERENCE OF UNITED STATES

SCHEDULED AIR TRANSPORTATION



Table of Contents

At the end of 1960 the jet age in scheduled air transportation was two years old.

Despite the fact, as shown in the text and tables, the industry flew more people, more goods and more mail than ever before, the financial picture for 1960 was discouraging from the profit standpoint. The trunk airlines—which account for 70 per cent of the entire scheduled air transport industry's operations—had total operating revenues of nearly two billion dollars, but their net profit was down to only a little more than a million dollars.

The tables this year show the six consecutive years, 1955-1960. Revised data filed by the scheduled carriers with the Civil Aeronautics Board are the major source of the statistics.

Aircraft Operations at F.A.A. Airport Towers .....	27
Aircraft Owned and on Order .....	29
Alaskan Airlines .....	14, 15, 17, 19, 21, 24, 31
All Cargo Airlines .....	14, 15, 17, 19, 21, 25, 31
Assets, Liabilities and Stockholders' Equity .....	22
Available Service and Utilization .....	14
Average Length of Haul ( <i>Revenue Passenger Table</i> ) ....	26
Average Revenue Per Passenger Mile .....	26
Class of U. S. Commercial Air Carriers .....	31
Consolidated Industry .....	14, 15, 17, 19, 21, 25
Definition of Terms .....	2
Directors of Air Transport Association .....	Back Cover
Domestic Trunklines ....	14, 15, 16, 18, 20, 22, 26, 28, 31
Helicopter Carriers .....	14, 15, 16, 18, 20, 23, 26, 31
Intercity Passenger Mile Market ( <i>Domestic</i> ) .....	27
International and Overseas .....	14, 15, 17, 19, 21, 24, 26, 28, 31
Intra-Hawaiian Airlines .....	14, 15, 16, 18, 20, 23, 26, 31
Local Service .....	14, 15, 16, 18, 20, 22, 26, 31
Members of Air Transport Association .....	Back Cover
Officers of Air Transport Association .....	Back Cover
Operating Expenses .....	18
Operating Revenues .....	16
Personnel Employed .....	30
Post Office Profit on Domestic Airmail .....	28
Profit or Loss Summary .....	20
Record of Accomplishment .....	3
<i>by Stuart G. Tipton, President of the Air Transport Association</i>	
Revenue Passengers Carried .....	26
Revenue Passenger Miles by Class of Service .....	27
Revenue Ton Mile Traffic Carried .....	15
Safety Records .....	28
U. S. Airline Share of Air Travel Between U. S. and Foreign Countries .....	30

Definition of Terms

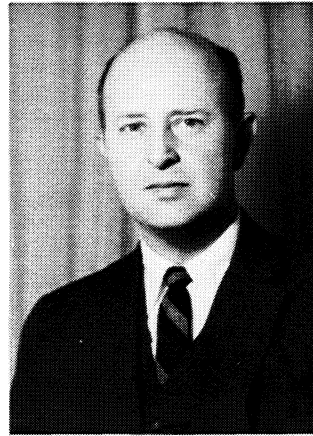
Passenger Miles and Ton Miles

- AVAILABLE SEAT MILES FLOWN.** Total seat miles available for sale in scheduled service.
- AVAILABLE TON MILES.** Total ton miles of lift capacity available for sale in scheduled and charter service.
- CHARTER FLIGHT.** Transportation of passengers or property on other than scheduled and designated extra section flights.
- EXPRESS TON MILE.** A ton of express flown one mile.
- FREIGHT TON MILE.** A ton of freight flown one mile.
- PASSENGER MILE.** One passenger flown one mile.
- PASSENGER LOAD FACTOR.** The percentage of available seat miles actually sold in scheduled service.
- PASSENGER TON MILES.** Passenger miles converted to ton miles. (See definition of revenue ton miles.)
- REVENUE PASSENGER MILES.** The number of fare paying passengers flown times the length of trip in miles. This is the amount of available seat miles sold.
- REVENUE PLANE MILES.** Aircraft miles flown in scheduled service.
- REVENUE TON MILES.** The ton miles sold in scheduled and charter service. In the construction of this traffic measure passenger miles are converted to ton miles on the basis of about 10 to 1. That is, ten passengers with allowable baggage are accepted as equalling one ton.
- SEAT MILE.** One passenger seat, filled or unfilled, flown one mile.
- TON MILE LOAD FACTOR.** Percentage of available ton miles sold in scheduled and charter service.
- U. S. MAIL TON MILE.** A ton of mail flown one mile. The mail figures are in two categories. These are defined as Priority and Non-Priority. Priority mail includes air mail and air parcel post. Non-priority mail is first class mail that moves in air service. At present non-priority mail is being flown on an experimental basis between certain selected cities.

Revenues and Profit and Loss

- EXPRESS REVENUE.** Revenues accrued from the carriage of express.
- FREIGHT REVENUE.** Revenues accrued from the carriage of freight.
- INCOME TAXES.** Federal Income taxes.
- NET OPERATING INCOME.** The total operating revenue from air transportation services less the operating expenses (see definition of Operating Expenses). Net Operating Income is before taxes and interest charges and does not include non-operating items.
- NET PROFIT OR LOSS.** Net income after Federal income taxes—the amount available for dividends or investment in the business.
- OPERATING EXPENSES.** The expenses incurred in the conduct of the business except for such items as debt financing and other non-operating items.
- OTHER REVENUE.** All other revenues, including excess baggage, chartered services, foreign mails, penalties for failure to cancel reservation, service charges on non-revenue transportation of employees and special services such as photography and crop dusting.
- PASSENGER REVENUES.** Passenger revenues from scheduled operations.
- PUBLIC SERVICE REVENUES.** Payments by the Federal Government to insure air service to communities in the United States and its territories which could not otherwise afford it; to maintain essential international air routes which are not yet self-supporting; and to develop helicopter service.
- PROFIT MARGIN ON SALES.** Net profit after interest and after taxes as percent of operating revenues.
- RATE OF RETURN ON INVESTMENT.** Total return, i.e., net profit plus interest paid on long term debt, as percent of average investment. Investment is the average of total net worth (stockholder's equity) plus long term debt at the beginning and end of the year.
- U. S. MAIL REVENUE.** Service revenue for the transportation of mail. This is the amount paid by the Post Office to purchase air transportation for mail, and is not subsidy.

STUART G. TIPTON, *President*  
*Air Transport Association*  
*of America*



## A STATE OF THE INDUSTRY AND PROGRESS REPORT

The enormous contributions the nation's airlines are making to the commerce, economy, and over-all strength and progress of the United States are reflected in this report covering the year 1960. This report also shows, however, that in so serving our country, our airlines in 1960 again experienced a year of depressed earnings which seriously threatens their financial stability and limits the possibilities of their continuing to expand and improve their services.

In 1960, despite record traffic volumes and gross revenues, the airline industry's net profits were lower than in any year since 1948. It was the fifth consecutive year of what the Civil Aeronautics Board has termed "a relatively extended period of depressed earnings which cannot lightly be dismissed."

More service was provided in 1960, and more passenger, freight, express and mail traffic was carried than in any previous year. During the year, the airlines added several hundred new jet-powered planes and committed additional hundreds of millions of dollars to the purchase of more new jets, safety advances, and facilities for improved airline service on the ground.

This constant forward progress, characteristic of airline management efforts over the years, not only has provided a stimulant to national economic activity, but also has—

- ★ exerted a continued growing impact on community development and progress throughout the nation;
- ★ emphasized the airlines' major role in the foreign trade position of the United States; and
- ★ elevated the air transport industry to where it has become a practical and symbolic element of national strength in the ideological struggle now being waged in the world.

The year was marked also by significant developments and trends such as:

- ★ In a period of expanding personal travel, the airlines widened their lead over other forms of public passenger transportation;

- ★ domestic low-fare aircoach traffic, for the first time, exceeded first-class travel during the latter part of the year;
- ★ the popularity of jet travel increased substantially with almost half the total airline passenger-miles accounted for by jet aircraft;
- ★ airfreight continued as the fastest-growing type of airline traffic.

These and other developments illuminated by the facts and figures in this report tell the progress side of the airline story. On the other side, however, is the most serious problem of inadequate airline earnings.

Even in a year when business in general suffered depressed earnings, airline earnings were far below the norm. Thus, the average U. S. corporation made 5¢ profit on every \$1 of sales, but the trunk airlines

1960 “. . . record business volume.”

needed to do \$83 worth of business to make a profit of five cents.

The Government has taken an initial step to help strengthen the airlines earning position. Last year, after an exhaustive 4½-year investigation, CAB concluded that the airlines needed earnings equivalent to a 10½ per cent return on capital investment.

A vast improvement in profits is needed, of course, to achieve that earnings level. At the same time, other corrective steps are necessary. Thus, the Government, to improve profits, must move decisively to:

- ★ eliminate the World War II tax on passengers which stifles needed traffic growth;
- ★ end needless competition for private carriers provided by MATS, the Government-owned airline;
- ★ discontinue Government traffic-procurement practices which force unreasonably low rates on airlines and other common carriers; and
- ★ cope with the growing foreign airline threat.

Unquestionably, obstacles such as those must be removed. And future Government policies and actions must reflect awareness of the national need for an economically strong air transport industry and the fact that the airlines, in 1960, earned only about 1/59th of what the Government itself has determined is necessary to serve that national need.

We have, in this report, summarized the progress and results of 1960, the more pressing problems, and have taken a look into the future; this in addition to our annual presentation of detailed industry statistics.

Although numerous major United States industries had a business fall-off in 1960, the U. S. certificated airline industry enjoyed record business volume. The airline results show consistency with national economic patterns, however, in that the rate or pace of airline traffic growth slowed down last year.

This is reflected in results in key traffic areas as follows:











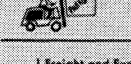
- ★ 57,700,000 passengers carried in 1960, up 3,000,000 over 1959—as compared with a gain of some 7,000,000 the previous year.

- ★ 38.8 billion revenue passenger-miles in 1960, up 2.5 billion over 1959—as compared with a gain of 5 billion the previous year.
- ★ 643.8 million ton-miles of airfreight in 1960, up 61.4 million over 1959—as compared with a gain of 88 million the previous year.
- ★ 58,948,000 ton-miles of express, a gain of 2.3 million ton-miles over 1959—as compared with a gain of 8 million the previous year.

An exception to this general trend was in the field of mail carriage where growth in 1960 outpaced that for the previous year. Thus, the airlines last year carried 240,580,000 ton-miles of U.S. mail, up 40.3 million over 1959—as compared with a gain of 22.7 million in 1959.

Total operating revenues of all U. S. scheduled airlines reached a record \$2,882,552,000 in 1960, a gain of 10.4 per

**THE AIRLINE STORY**  
Ever Increasing Usefulness Over The Years

All classes of Certificated Air Carriers	1939	1949	1960
 <b>Number of Airlines</b>	23	45	56
 <b>Cities Served</b> (excluding Alaskan points) <sup>2</sup>	286	638	721
 <b>Aircraft in Service</b>	347	1,083	1,848
 <b>Seats Available</b> (Daily)	5,100	35,900	121,839
 <b>Cruising Speed of Fastest Transport</b>	220 mph	315 mph	615 mph
 <b>Number of People Employed</b>	13,300	76,000	166,408*
 <b>Total Airline Payrolls</b>	\$24,000,000	\$349,000,000	\$1,106,189,000*
 <b>U. S. Mail Ton Miles</b>	8,610,000	61,144,000	240,580,000
 <b>Number of Passengers Carried</b>	1,864,000	16,723,000	57,700,000
 <b>Average Fare Per Pass. Mile</b>	5.62¢	6.23¢	6.01¢
 <b>Ton Miles of Freight Carried</b>	2,713,000 <sup>1</sup>	112,500,000	643,792,000

<sup>1</sup> Freight and Express combined.  
<sup>2</sup> Early figures for Alaska not available but in 1960 there were 242 points served.  
\* Includes Estimates

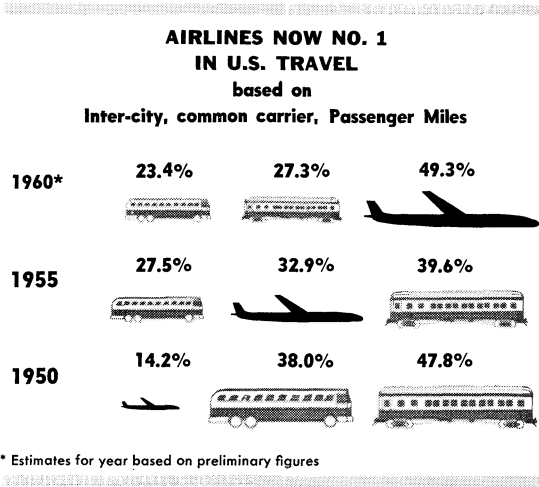
“ . . . growth in airline service and public demand.”

cent over 1959. Similarly, total operating expenses rose to a record high total of \$2,803,575,000 last year, or 12.6 per cent more than the previous year.

Net profit, after taxes and interest, for all carriers was \$9,579,000, down \$61,928,000 from the 1959 total of \$71,507,000.

**Passenger Service:** The field of airline passenger service was marked in 1960 by such things as:

- ★ Continued service and traffic growth;
- ★ A widening of the passenger-mile gap in favor of airlines over other forms of public transportation;
- ★ Fare adjustments;
- ★ A shifting trend in classes of passenger traffic;
- ★ Emphasis on ground service improvements.



Last year, the airlines provided an all-time high volume of service—65.5 billion available seat-miles, a gain of 6.2 billion over 1959 and more than four times the amount of service provided just ten years ago.

The record volume of traffic thus accommodated—38.8 billion revenue passenger miles—occupied 59.2 per cent of available capacity, a passenger load factor figure which compared with 61.2 per cent in 1959 and 59.3 per cent in 1958.

This constant growth in airline service and public demand therefore, is, of course, one of the most significant elements in our fast-changing world. Ten years ago, the public relied chiefly on railroads and buses for common carrier service between U. S. cities. In 1960, domestic inter-city passenger-miles of the airlines were about

as much as those of railroads and buses combined, further widening a lead the airlines assumed in 1957.

As a result of management efficiencies and rapid technological advances, the cost to the public for air transportation has been notably resistant to inflation.

Thus, since 1938, domestic air passenger fares have increased only 13 per cent, as compared to an increase of 100 per cent in consumer prices and 49 per cent in railroad fares over the same period.

The slight air fare increase includes that called for in mid-1960 in the Civil Aeronautics Board's finding that airline profits were too low. That increase amounted to 2 per cent plus \$1 per ticket.

Significantly, there occurred in 1960 a marked increase in the provision of low-fare coach service by domestic carriers and in the utilization of that service by the public. Thus, there was an increase of 19.6 per cent in available coach seat-miles in 1960 over 1959, and an increase of 18.1 per cent in coach passenger-miles.

On the other hand, there was an absolute decline in first-class passenger-miles of 5.1 per cent last year. As a result, coach accounted for 47.2 per cent of total domestic passenger-miles in 1960, up from 42.0 per cent the year before. In several months during the last half of 1960, coach passenger-miles rose to over 50 per cent of the total. Fares for this service, of course, are 25% or more under regular first-class fares.

Meanwhile, the airlines devoted increased attention and resources to improving ground services for airline passengers. The growing scope of this undertaking can be seen in the fact that 50,000,000 reservations were handled by domestic airlines last year and 120,000,000 annually are expected by 1970.

Currently, the airlines spend some \$93 million a year in this area. Additional millions are being poured into new systems of vast complexity and maximum efficiency. One airline, for example, has put \$2,250,000 in a system whereby its agents in almost 100 cities can find out instantly seat availability up to six months ahead on 60,000 itineraries.

Another is installing a centralized automatic system which, in about a year, will serve 1100 sales desks, handle 7500 reservations an hour, process them in 3 seconds

“. . . geared to the fast growing market.”

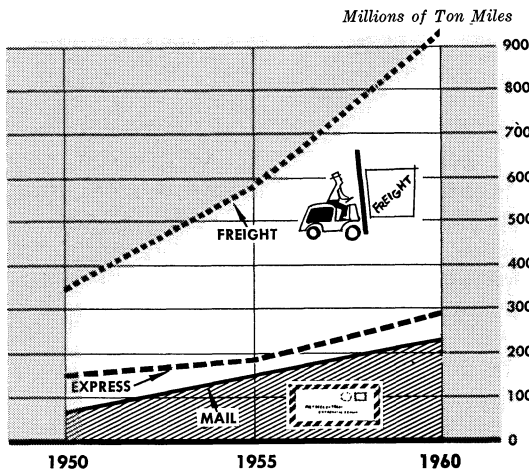
(as compared to 45 minutes now), reduce errors—and cost \$5,000,000 per year.

Throughout the industry, online and interline facilities are being geared to the fast-growing market that must be accommodated.

**Airfreight Service:** Airfreight developments in 1960 were highlighted by a substantial increase in the cargo-carrying capacity of the certificated airlines. Mainly, this resulted from the greater cargo space aboard the big new jets plus the conversion of many late-model piston-engined planes to all-cargo configurations.

Significantly, there will be a further substantial increase in airline cargo capacity this year as more new jets and converted planes come into service and several carriers take delivery on new prop-jet airfreighters.

#### AIRLINES CARGO REACHES NEW HIGH



One immediate effect of this build-up in capacity is that it is requiring a complete re-examination of the entire airfreight rate structure.

Last year's freight volume reached a record high of 643,792,000 ton-miles, up 9.7 per cent over 1959, and 45 times the volume carried in 1946, the first full year of industry airfreight operations. As a result of this rapid growth, airfreight is the second most productive form of traffic carried by the airlines, accounting for 12.5 per cent of total ton-miles of traffic.

Nevertheless, the airlines are gearing themselves to carry much greater quantities. Last year's volume, for example, while a record high for the airlines, represented only .05 of one per cent of the total

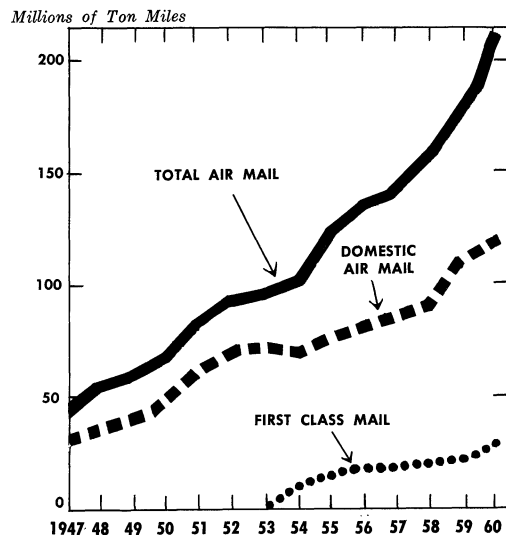
inter-city freight ton-miles moved by all forms of transportation in the U. S.

Great quantities of Government freight, of course, are moved annually via MATS, the Government-owned airline. Much of this, moving between areas served by the certificated airline system, could be accommodated by that system.

Action of this type was called for recently by Senator A. S. Mike Monroney who said:

*“It's high time we break this bottleneck by using Government cargo movements as a seed bed for a brand new industry of great prospects and promise—and at the same time ensure the kind of mobility on a world-wide basis that can help guarantee against a shooting war—either limited or atomic.”*

#### MAIL VOLUMES ARE INCREASING



**Mail Service:** Vast improvements in the Postal Service were made possible in 1960 as the airlines made increased capacity and speed available and participated in expansion of non-priority mail by air services to the new states of Alaska and Hawaii.

Recently, the Civil Aeronautics Board commented:

*“The carriers have continued to improve service to the public and make expanded mail services available to the Post Office Department. At the same time, the unit price paid to the carriers for the movement of mail by the Department has declined.”*

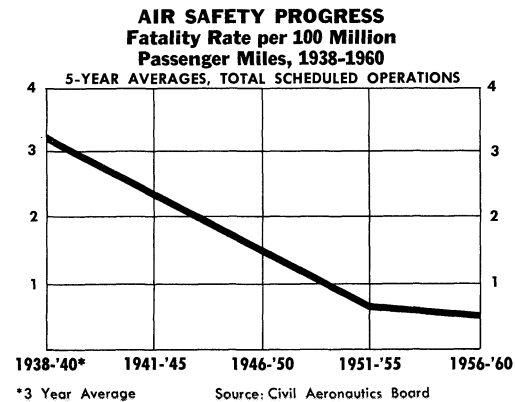
“. . . the only standard that will be . . . satisfactory.”

Total U. S. mail volume carried by the certificated airlines last year was 240,579,000 ton-miles, an increase of 17.4 per cent over 1959. Mail traffic accounted for 4.8 per cent of total traffic carried by the airlines and 3.2 per cent of total revenues.

**Express Service:** Expanded service for air express users resulting from the new partnership agreement between the airlines and the Railway Express Agency showed results as air express traffic gained for the third straight year.

1960 express volume was 58,948,000 ton-miles, up 4.1 per cent over 1959. Express traffic accounts for 1.2 per cent of total airline traffic and slightly under 1 per cent of total revenues.

**The Jet Fleet:** At the end of 1960, the U. S. certificated airlines operated a fleet of 1,908 aircraft. Included were 470 jet-powered planes of which 224 were pure jets and 246 were prop-jets.



This year, the airlines will take delivery of an additional 157 jet-powered planes, consisting of 118 pure jets and 39 turbo-props. That will raise the total jet-powered fleet of fixed wing aircraft to 627.

An additional 82 jet planes are scheduled for delivery in the 1962-65 period. Also, 19-turbine-powered helicopters are on order for delivery in 1961-62.

**Safety:** Last year was the ninth consecutive year in which the fatality rate on the U. S. scheduled air transport system was less than one per 100,000,000 passenger-miles flown.

Actual rate for total domestic and international operations was 0.86 fatalities per 100,000,000 passenger-miles, or about three times better than the fatality rate for passenger automobile travel.

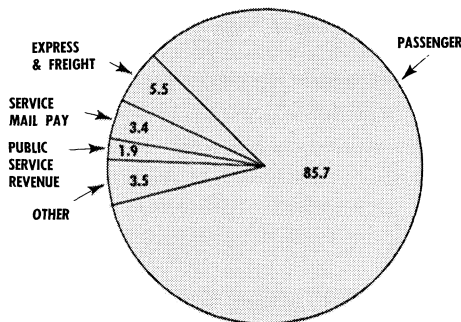
There was a total of nine accidents involving passenger fatalities last year, a year in which the U. S. air carriers performed 3,856,477 scheduled flights (as measured by flight departures). Passenger fatalities totalled 337. That is about 140 less than the average for one week on the U. S. highways.

Nevertheless, by the airlines' own rigid safety standards, the 1960 industry record is not considered satisfactory. Most airlines, of course, operated the year without a fatality. An across-the-board zero fatality rate for the entire industry is the only standard that will be considered satisfactory.

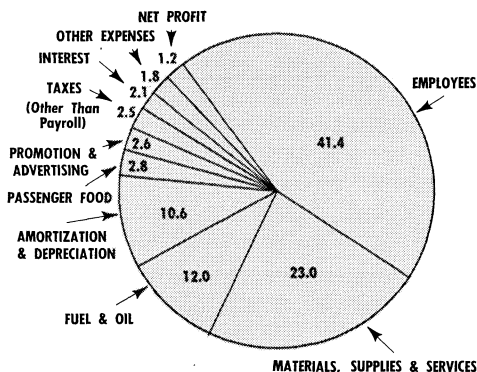
Progress to this end is evident in the long-range trend covering consecutive five-year periods. Thus, in the 1940-44 period, the average rate was 2.45 fatalities per 100,000,000 passenger-miles. But, in the latest five-year period, 1956-60, the record was improved to 0.55.

### THE 1960\* AIRLINE DOLLAR

#### Where the Airline Dollar Came From:



#### Where the Airline Dollar Went:



\* For the 12 month period ending September 30, 1960

“ . . . a rapidly worsening profit position.”

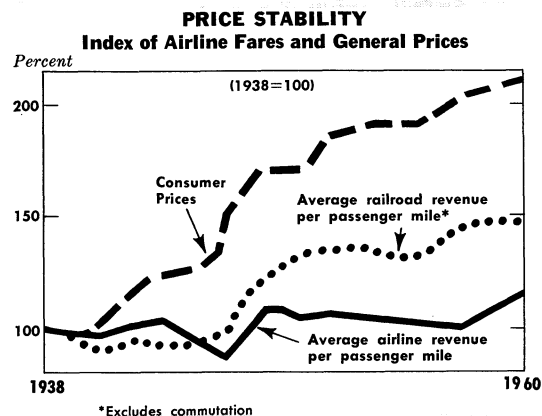
**Earnings:** The tremendous progress of the airlines in making the civil jet age a reality for the American public has been marred by subnormal profits. Last year, for example, the domestic trunk airlines earned only \$1,188,000 on gross revenues of \$1,942,634,000, a profit margin only 1/83rd of the average for all U. S. corporations.

Equally important, 1960 was the fifth consecutive year of depressed earnings for the airlines. These have been five critical years during which the airlines ordered and had to arrange financing for some \$3 billion worth of new jet planes. They have been five years during which extensive training and over-all plant modernization was necessary in preparation for the new planes the first of which started in service in late 1958.

In 1954—on the eve of this critical period—the airlines sought Government permission to take steps to guard against the very deterioration in profits that began midway in 1955. The permission was denied.

In the spring of 1956, the Civil Aeronautics Board instituted its General Passenger Fare Investigation, a formal proceeding dealing with trunkline earnings which lasted four and one-half years. In early 1957, the carriers applied for emergency permission to raise fares in view of a rapidly worsening profit position. That permission was denied.

or reduction of certain discounts. These actions were helpful but, it should be noted, they came in the fourth year after the airlines' original request.



Last year, the CAB concluded its general fare investigation. Several of its observations contained in the final decision are worthy of note:

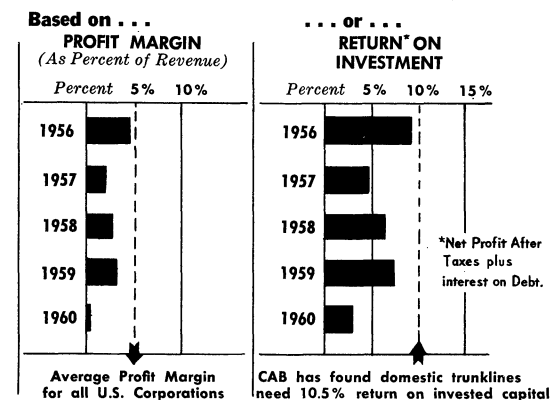
- ★ “Unfortunately, as contrasted with total revenue growth, airline profits have not only fluctuated but trended downward since mid-1955. While total operating revenues almost doubled between 1951 and 1956, net operating income after taxes was significantly less in 1956 than in 1951.”
- ★ “. . . the transition to jet equipment which the industry is now undergoing has presented financial and other problems of a magnitude never before faced.”

Coupled with these conclusions was a Board finding that fares were still not at an adequate level and CAB suggested an increase of 2 per cent plus \$1 per ticket, effective July 1, 1960. Thus, in three stages, airline fares were raised approximately a total of 20 per cent. Industry efforts aimed at prevention of profit deterioration were discarded in favor of belated Government “cures”.

Nevertheless, while a repeat of this performance in a subsequent modernization program could prove disastrous, there are definite signs of more realistic Government policies in this area.

In winding up its 4½-year fare investigation, for example, the CAB noted the unique characteristics of the airline industry and ruled that airline earnings should be equivalent to a 10.5 per cent average

**AIRLINE PROFITS SUBNORMAL**



Early in 1958, CAB recognized the need for fare relief and permitted airlines to raise fares 4 per cent plus \$1 per ticket, or about 6 per cent in total. In the fall of 1958, CAB permitted the elimination



“. . . swiftly changing industry.”

return on investment for extended periods.

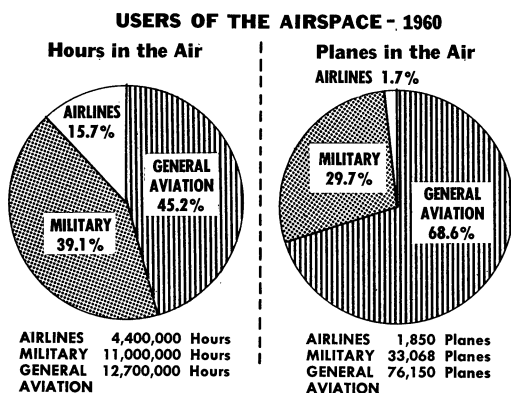
Over the five critical years just passed, the trunk carriers fell far short of reaching that earnings level. Last year, the carriers earned 2.90 per cent on invested capital, or about \$116,000,000 less than required to attain the needed return.

One of the important reasons it is necessary to improve this picture was stated this way recently by the new CAB Chairman Alan Boyd:

*“Today’s low (airline) earnings focus attention on another of our immediate problems. Mach 3 (supersonic) is staring us in the face . . . Carrier earnings are the only hope for a substantial private enterprise contribution to supersonic development—and the nation must develop one. Carrier earnings in the years immediately ahead are the only hope that a private enterprise air transport system can absorb the next equipment transition.”*

**Regulation:** The Federal Government has regulated air transportation since 1938. It does so through the Civil Aeronautics Board—in the field of economics and accident investigation—and the Federal Aviation Agency—in technical fields, including safety regulation.

These agencies are the product of Congressional actions expressed first in the Civil Aeronautics Act of 1938 and later in the Federal Aviation Act of 1958.



To date, regulation of air transportation has accomplished much—but also has left much to be desired. Thus, the agencies have, on various occasions, displayed an inability to adjust their thinking and policies to the swiftly changing industry they regulated.

Nevertheless, the ultimate conclusions of CAB in the general fare investigation and recent declarations by Federal officials indicate a more encouraging regulatory policy will prevail in the future. Hopefully, we have arrived at a turning point where Federal regulation is gearing itself to the dynamism of today.

The vital role that civil aviation now occupies in the nation’s social, economic, and political structure requires maximum efficiency in these Congressionally established agencies.

There would, of course, be little hope for such maximum efficiency, and the public benefits that depend thereon, were these agencies to be swallowed up in a single Department of Transportation as seems to be proposed year after year.

To link the interests and problems of civil aviation with all its technical, international, and domestic facets to the interests or problems of surface-bound transport companies would not only be impractical but damaging to national interest and counter to the wishes of Congress.

Over a decade ago the U. S. Supreme Court found “no indication that the Congress either entertained or fostered the narrow concept that airborne commerce is a mere outgrowth or overgrowth of surface-bound transport.” Rather, it said, “air commerce, whether at home or abroad, soared into a different realm than any that had gone before.”

It is the promotion, encouragement, and regulation of such an industry that has been entrusted to CAB and FAA. This country cannot afford the mistake of going backward in this matter—not even for the length of time it might take us to discover and correct our mistake.

**Transportation Tax:** One of the most important single actions the Government could take to help our nation’s entire common carrier transportation system would be to repeal the 10 per cent tax on passenger transportation.

This tax, imposed directly on passengers, was designed in 1941 as a means of discouraging travel on transportation facilities essential to the war effort.

Today, when airlines, railroads, and buses are dependent on traffic growth, the continuation of a tax designed to achieve the opposite result, does just that—it stifles traffic growth.

“Government must act to strengthen . . .”

As one Congressman put it, this tax “continues to burden the public and to threaten the well-being of an industry essential to the national defense.” Numerous bills have been introduced at the present session of Congress to repeal this tax on June 30, 1961.

**Cut-Rates For Government:** Another area where the Government must act to strengthen the common carrier system is in its role as that system’s biggest single customer.

Almost 12¢ out of every transportation dollar taken in by the airlines, railroads, steamship and motor carriers combined comes from the Government as a customer. Its impact is about the same as it would be on the automotive industry if the Government purchased three-quarters of a million cars each year.

Yet, while the Government acts to insure fair rates for the public and the carriers, on the one hand, it indulges in cut-rate practices with respect to the traffic it ships via the common carrier system.

When a customer of such size uses its size to chisel transportation rates down to uneconomic levels, it not only is injurious to the companies but affects the prices that must be paid by the general public.

The Air Transport Association has urged that the Executive, Congressional,

and regulatory branches of the Government move to correct this problem. Also, we have formally requested the Transportation Association of America, on behalf of the national common carrier system to make this a major undertaking. The aim, simply stated, is to make sure that discrimination in favor of the Government be ended and that rates for Government traffic be made subject to the same machinery applied to rates for the general public.

**Government Competition:** The Government-owned airline, Military Air Transport Service (MATS), in fiscal 1960, moved 93 per cent of its passengers and 89 per cent of its cargo between areas served by the nation’s certificated air carrier system.

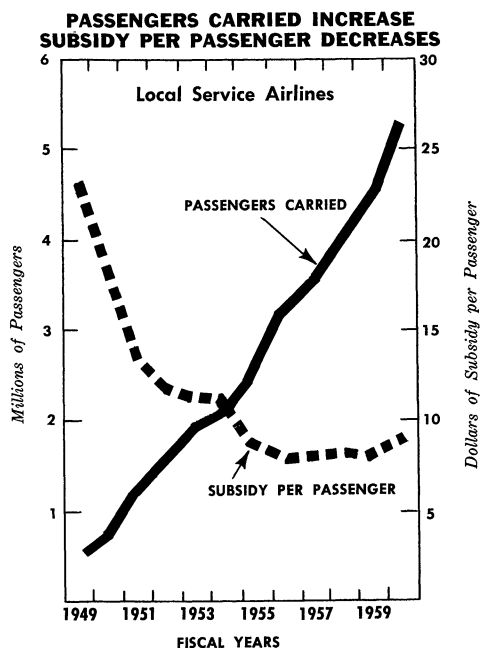
Efforts in 1960 to stimulate greater use of the national air transport system in the movement of this traffic were highlighted by CAB’s withdrawal of a “blanket exemption” in effect since the Korean War, under which a policy of destructive competitive bidding prevailed.

According to CAB, the effect of that policy over the past ten years “appears to have been the development of what amounts to an overlapping air transport system, operated by MATS, alongside the system authorized by the Board under the Federal Aviation Act to serve the Nation’s national defense and commercial needs.”

Under CAB’s policy, the authority contemplated by the Federal Aviation Act has been reinstated and CAB must pass on bids for MATS business. Meanwhile, there is continued strong Congressional support for transferring more of MATS’ airline-type traffic to the certificated airlines. This is to strengthen MATS for its true military role by cutting down its commercial airline type activities—and it is to strengthen the over-all national airlift capability by realistic use of the national air transport system.

**Foreign Competition:** The relative position of the U. S. - Flag airlines in the air travel market between the U. S. and foreign countries deteriorated sharply in 1960. Although the market consists primarily of U. S. citizens—more than 6 out of every 10—the U. S. airlines share of the market dropped to 51.8 per cent. It had been 56.7 per cent the previous year.

Foreign air carriers, who in 1950 carried about 25 per cent of this traffic, thus



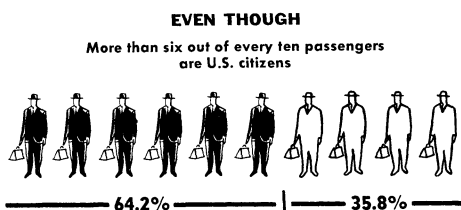
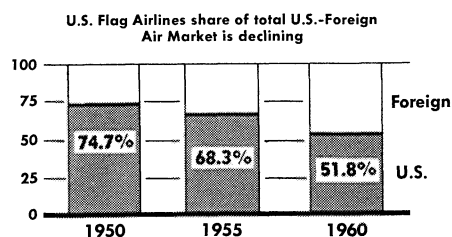
“. . . a major element of national prestige.”

increased their share in 1960 to 48.2 per cent. If this trend continues—and there are no signs that it will be interrupted—1961 will gain the ominous distinction of being the year that the United States surrendered the lead to foreign airlines in the carriage of U. S. international air traffic.

The growth and development of the entire U. S. certificated air carrier system is affected by this development. Under U. S. negotiating policies over the years, not only have more foreign airlines been added in this market but more and more have been given rights to penetrate the domestic U. S. field.

One foreign airline operating from the U. S. west coast to Europe, for example, diverts more than \$3 million annually from U. S. transcontinental airlines—an amount greater than the entire net profit of the domestic trunklines in 1960.

**PASSENGER TRAFFIC BETWEEN THE UNITED STATES AND FOREIGN COUNTRIES**



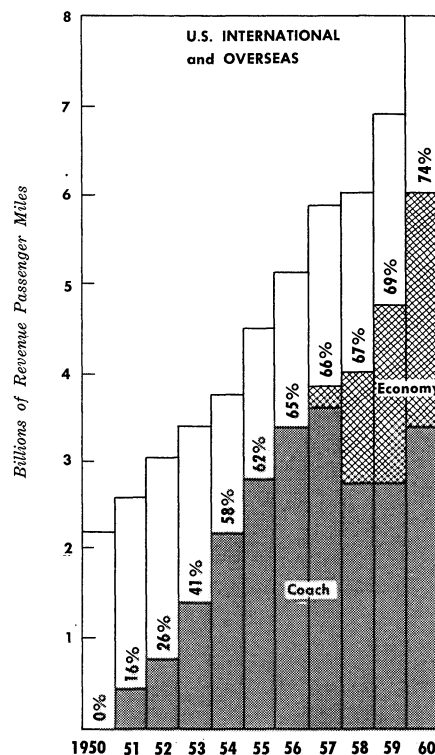
Meanwhile, U. S.-Flag airlines are facing new developments abroad. Airlines of foreign countries, primarily in Europe, are banding together in pools and combines—dividing services and revenues on specific routes. In some cases, air protectionism is becoming evident with some nations party to a pool or combine tending toward restriction of U. S. airline operations.

To avoid a repeat of the deterioration of our merchant marine—the United States Government quickly and intelligently must reappraise its policies in this critical area.

At the same time, this country cannot afford to ignore the significant growth in

the Soviet Airline, Aeroflot, which is rapidly stretching its massive system to countries throughout the world. Aeroflot has become a new vanguard for economic and political penetration of non-Iron Curtain countries.

**REDUCED FARE TRAFFIC COMPRISES AN EVER-INCREASING PROPORTION OF THE TOTAL**



Best information available indicates the Soviet airline has some 1800 transport planes in operation including about 200 jet-powered aircraft. It continues to build up at a rapid pace. Its domestic and international system ranges between 350,000 and 400,000 route miles serving 130 to 140 major airports and perhaps another 335 cities without improved airport facilities.

In less than a decade, it has been transformed into a major element of national prestige and political influence for the Soviets—and there are no indications the Russians are content to remain behind the United States in this vital area.

“. . . the potential for growth . . .”

**National Impact:** Air transportation has become one of the nation's most dynamic forces. It has grown much more rapidly than the general economy. Traffic growth since 1949 is 328 per cent compared to a 51 per cent growth in the Gross National Product.

And the potential for growth in the decade ahead is substantial. CAB has forecast that domestic revenue passenger-miles—which totalled just over 30 billion in 1960—will be about 50 billion by 1965; by 1970, the Federal Aviation Agency forecasts more than 60 billion passenger-miles—double last year's record high.

**National Goals:** Recognition of this tremendous impact led President Kennedy recently to establish a high-level task force to conduct what has been called “Project Horizon.”

The President called for this group to “redefine and affirm” national aviation goals for the decade ahead.

Out of this project is expected a statement—not of goals that *might* be accomplished—but national objectives that *must* be accomplished to maintain our position in world affairs.

**U. S. Travel Office:** The air transport industry has supported proposed Congressional legislation which would establish, for the first time, a United States travel office to develop tourist travel to this country.

The balance of payments deficit which faced the U. S. in 1960 included a \$1.2 billion deficit in travel and transportation, an amount accounting for 27 per cent of the total deficit. This means there was a substantially greater outflow of tourists and tourist dollars than came into the United States.

As Senator Warren Magnuson described it: “Last year, American tourists flocked abroad in the greatest numbers in history, while travel to our country for foreign visitors showed no significant gain”.

The air transport industry supports a positive approach to this problem, i.e. maintaining the growth of U. S. tourism abroad while concentrating on steps to develop substantial growth of foreign visitors to this country.

In addition to the broad social and cultural advantages of such a program, this policy promises national economic gains of significant stature.

## SELECTED INDICES OF GROWTH

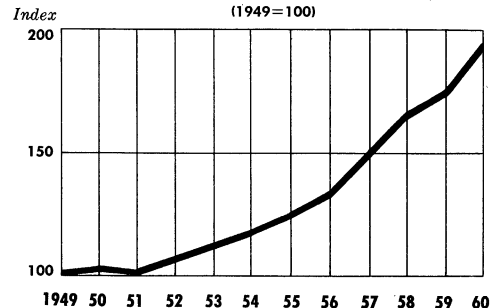
### Local Service Airlines

	1950	1960
Total Cities Served	369	547
Cities Served EXCLUSIVELY by Local Service Airlines	195	334
Unduplicate Route Miles	24,769	46,477
Planes in Service	128	302
Plane-miles Flown Daily	90,470	254,000
Seat-miles Available Daily	1,641,500	7,367,000
Employees	4,795	12,295

**Supersonic Transport:** Interest in this country and abroad in supersonic air travel was accelerated in 1960. In this country, most attention was devoted to a Mach 3 plane, i.e., one that would fly about three times the speed of sound or about 2,000 miles per hour.

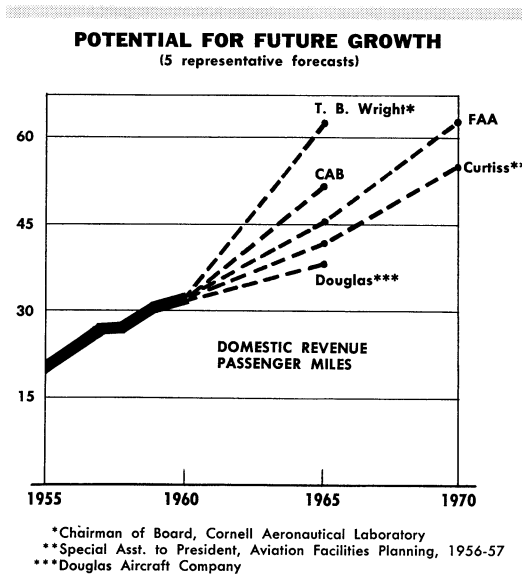
Sometime, in the near future, perhaps in the 1970s, planes of this type will become a reality for the traveling public. Significant at this time is the national prestige factor involved. England, West Germany, France, and the Soviet Union are reported to be going forward in the supersonic field. Government and industry experts testified before the House Committee on Science and Astronautics last year that the U. S. can't afford to lose out in this competition.

## AIRLINE INVESTMENT PER EMPLOYEE (1949=100)



“. . . a record of accomplishment.”

From the airline standpoint, substantial improvement in the earnings position is a key factor in how successful U. S. efforts in this area will be.



The facts and figures in this report make apparent the progress, problems, and potential of our national air transport system. They represent the basic material necessary for a true perspective of air transport's vital role in our national affairs.

There is a record of accomplishment underlying all of this—one that shows that the airline industry has consistently provided the pioneering vision and courage needed to expand and improve its service to the public.

We have now entered a period, however, where these qualities are even more in demand and where there is a greater need than ever for a broad understanding of the challenges facing this industry. This report is published so that it might contribute to that end.

STUART G. TIPTON

### . . . In The Public Interest

#### FOR AIRLINES TO BE INCREASINGLY SAFE, EFFICIENT, AND ECONOMICAL

*In line with the Congressional mandate for the "promotion and continued development" of a sound air transport system and in keeping with objectives and obligations of the United States, decisions, policies, and actions should flow from these basic principles:*

1. Civil aviation is an absolutely essential part of the economic, social, and national defense structure of the country.
2. The growth, modernization, and general price stability of commercial air transportation exemplifies qualities now called for on a broad front.
3. Basic responsibility for airline growth and development has been entrusted by Congress to the air carrier companies.
4. Government interest, action, and concern is necessary in areas consistent with maximum growth, opportunity, safety, and progress. Regulation for regulation's sake must be avoided.
5. The self-generating characteristics of air transport service and technology should be preserved and encouraged.
6. Where existing impediments to national objectives—such as the World War II travel tax—can be removed, efforts should be directed to that end. At the same time, new economic burdens should be avoided where inconsistent with the national need for a safe, efficient, and economical airline industry.
7. Where airline equipment and facilities can be utilized for Government traffic they should be made available and so utilized to foster maximum growth of the national air transport system and maximum capability of military units.
8. Air transport's significant role as a prime national element in the shifting tides of world trade should continue to be recognized and utilized.
9. United States international air transport policies should reflect the broadened scope and changing nature of foreign airline activity.

**AVAILABLE SERVICE  
AND UTILIZATION**



**U. S. Scheduled Airline Industry**  
(In Millions)

	Available Ton Miles Flown	Revenue Ton Miles Flown	Ton Mile Load Factor (%)	Available Seat Miles Flown	Revenue Passenger Miles Flown	Passenger Load Factor (%)	Revenue Plane Miles Flown
<b>Domestic Trunk Airlines</b>							
1955.....	3,882.7	2,160.1	55.63	30,001.3	19,217.2	64.05	564.0
1956.....	4,393.2	2,417.0	55.02	33,752.6	21,643.1	64.12	622.1
1957.....	5,150.4	2,720.0	52.81	39,838.2	24,499.5	61.50	711.1
1958.....	5,190.2	2,750.9	53.00	40,695.0	24,435.7	60.05	700.6
1959.....	5,949.3	3,166.8	53.23	45,793.2	28,127.2	61.42	743.5
1960.....	6,582.8	3,332.5	50.62	49,153.6	29,233.2	59.47	712.8
<b>Local Service Airlines</b>							
1955.....	121.9	55.3	45.36	1,161.4	523.3	45.06	50.9
1956.....	145.6	66.8	45.91	1,385.0	633.2	45.72	59.5
1957.....	170.7	78.5	46.00	1,653.8	747.3	45.19	67.3
1958.....	185.4	86.6	46.71	1,793.5	820.2	45.73	72.3
1959.....	238.5	108.8	45.67	2,309.2	1,024.3	44.35	85.4
1960.....	282.3	121.2	42.93	2,724.7	1,141.6	41.89	93.3
<b>Intra-Hawaiian Airlines <sup>1</sup></b>							
1955.....	16.1	8.4	52.10	134.7	78.1	57.99	4.6
1956.....	16.0	8.5	53.03	147.9	83.9	56.70	4.6
1957.....	15.7	9.1	57.96	154.9	89.5	57.78	4.7
1958.....	18.4	11.3	61.15	143.1	82.7	57.76	4.4
1959.....	21.1	12.7	59.89	187.2	110.9	59.21	5.3
1960.....	30.7	17.7	57.65	217.1	127.5	58.72	5.6
<b>Helicopter Airlines (in thousands) <sup>2</sup></b>							
1955.....	434	195	44.93	1,708	628	36.77	1,148
1956.....	567	277	49.03	3,561	1,588	44.59	1,315
1957.....	1,056	448	42.42	8,049	3,272	40.66	1,604
1958.....	1,497	591	39.48	11,419	4,885	42.78	1,675
1959.....	1,759	855	48.61	14,628	7,478	51.12	1,899
1960.....	2,226	1,054	47.34	18,764	9,475	50.49	2,218
<b>International and Overseas Airlines</b>							
1955.....	984.6	633.8	64.37	7,012.1	4,410.8	62.90	130.7
1956.....	1,143.4	741.2	64.82	8,073.1	5,113.2	63.34	146.0
1957.....	1,292.9	827.0	63.96	9,038.1	5,751.7	63.64	155.7
1958.....	1,426.6	873.1	61.20	10,057.6	5,974.6	59.40	165.5
1959.....	1,573.7	1,026.4	65.23	10,474.2	6,894.6	65.83	164.5
1960.....	1,952.9	1,160.3	59.41	12,978.7	8,137.2	62.69	155.2
<b>Alaskan Airlines</b>							
1955.....	46.0	29.4	63.87	233.9	110.4	47.20	10.5
1956.....	66.9	44.8	66.98	284.1	137.0	48.21	11.3
1957.....	59.4	32.5	55.08	329.7	151.9	46.07	11.5
1958.....	59.9	32.9	54.89	369.0	163.8	44.39	11.5
1959.....	72.8	42.2	58.00	414.0	183.0	44.22	12.4
1960.....	73.8	45.0	60.97	421.9	189.9	45.01	13.2
<b>All-Cargo Airlines</b>							
1955.....	184.0	135.1	73.41	.....	.....	.....	17.1
1956.....	321.5	248.8	77.38	.....	.....	.....	23.5
1957.....	431.7	336.9	78.04	.....	.....	.....	23.3
1958.....	383.8	319.3	83.20	.....	.....	.....	16.1
1959.....	422.1	332.7	78.82	.....	.....	.....	16.2
1960.....	427.2	322.8	75.56	.....	.....	.....	14.6
<b>CONSOLIDATED INDUSTRY</b>							
1955.....	5,235.7	3,022.2	57.72	38,545.1	24,340.4	63.15	779.0
1956.....	6,087.1	3,527.4	57.95	43,646.3	27,612.0	63.26	868.4
1957.....	7,121.5	4,004.4	56.23	51,022.7	31,243.1	61.23	975.3
1958.....	7,265.7	4,074.7	56.08	53,069.6	31,481.9	59.32	972.1
1959.....	8,279.3	4,690.4	56.65	59,303.4	36,347.5	61.29	1,029.1
1960.....	9,351.9	5,000.5	53.47	65,514.7	38,838.9	59.28	996.9

NOTE: Available Ton Miles and Revenue Ton Miles include charter operations; all other items are for scheduled service only. <sup>1</sup> Has been carried in the past as Territorial Airlines. <sup>2</sup> Helicopter passenger service began in 1953.

**REVENUE TON MILES  
OF TRAFFIC CARRIED**



**U. S. Scheduled Airline Industry**  
(In Thousands  
of Revenue Ton Miles)

	Passenger <sup>2</sup>	Priority U. S. Mail	Non Priority U. S. Mail <sup>3</sup>	Express	Freight	Charter Flights	Excess Baggage <sup>4</sup>	Total
<b>Domestic Trunklines</b>								
1955.....	1,825,631	71,859	14,175	49,603	174,017	5,737	19,046	2,160,068
1956.....	2,056,098	77,788	13,891	49,709	190,592	5,911	23,055	2,417,044
1957.....	2,327,334	82,057	15,137	42,752	218,432	6,335	27,983	2,720,030
1958.....	2,321,347	87,809	16,155	45,890	240,510	12,000	27,237	2,750,948
1959.....	2,672,087	98,485	17,929	53,106	282,473	13,270	29,419	3,166,769
1960.....	2,777,148	108,059	22,845	55,440	320,949	18,967	29,071	3,332,479
<b>Local Service Airlines</b>								
1955.....	49,713	928	328	1,403	1,355	1,338	245	55,310
1956.....	60,156	1,192	344	1,687	1,624	1,520	320	66,843
1957.....	71,079	1,174	345	1,642	2,082	1,717	471	78,510
1958.....	78,055	1,330	395	1,801	2,241	2,196	575	86,593
1959.....	97,514	1,695	504	2,210	3,122	3,060	710	108,815
1960.....	108,649	2,125	588	2,419	3,847	2,744	799	121,171
<b>Intra-Hawaiian Airlines <sup>1</sup></b>								
1955.....	6,250	59	.....	N.A.	1,646	436	20	8,411
1956.....	6,710	63	2	.....	1,475	236	17	8,503
1957.....	7,259	63	1	.....	1,536	170	36	9,065
1958.....	6,611	67	2	.....	1,587	2,965	32	11,264
1959.....	8,879	75	.....	.....	1,625	2,057	29	12,665
1960.....	10,155	81	5	.....	1,806	5,605	31	17,683
<b>Helicopter Airlines <sup>5</sup></b>								
1955.....	60	90	.....	31	5	.....	3	195
1956.....	149	89	.....	31	7	.....	1	277
1957.....	311	92	.....	33	8	3	1	448
1958.....	463	83	.....	32	6	5	2	591
1959.....	710	87	.....	41	7	7	3	855
1960.....	902	92	.....	40	6	10	4	1,054
<b>International and Overseas Airlines <sup>4</sup></b>								
1955.....	453,195	52,409	.....	243	90,598	19,701	17,648	633,794
1956.....	524,369	55,158	.....	.....	109,235	32,652	19,757	741,171
1957.....	589,510	57,265	.....	.....	123,280	36,188	20,771	827,014
1958.....	597,326	65,825	.....	.....	128,925	60,817	20,191	873,084
1959.....	688,521	71,578	10	.....	153,956	91,397	20,980	1,026,442
1960.....	813,009	80,285	12,102	.....	184,930	48,277	21,649	1,160,252
<b>Alaskan Airlines <sup>6</sup></b>								
1955.....	11,868	2,279	.....	.....	7,300	7,773	152	29,372
1956.....	14,719	2,383	.....	.....	7,948	19,527	241	44,818
1957.....	16,002	2,695	.....	.....	7,201	6,344	271	32,513
1958.....	17,290	3,069	35	.....	6,937	5,291	298	32,920
1959.....	19,389	3,619	10	.....	7,484	11,402	301	42,205
1960.....	20,106	4,137	131	.....	8,887	11,415	341	45,017
<b>All-Cargo Airlines</b>								
1955.....	.....	.....	318	.....	107,945	26,796	.....	135,059
1956.....	.....	381	1,188	1,266	140,420	105,526	.....	248,781
1957.....	.....	440	1,409	1,638	155,126	178,249	.....	336,862
1958.....	.....	2,040	621	1,112	121,382	194,104	61	319,320
1959.....	.....	6,128	161	1,250	140,816	184,226	78	332,659
1960.....	.....	7,240	2,889	1,049	123,367	188,020	217	322,782
<b>CONSOLIDATED INDUSTRY</b>								
1955.....	2,346,717	127,630	14,821	51,280	382,866	61,781	37,114	3,022,209
1956.....	2,662,201	137,054	15,425	52,693	451,301	165,372	43,391	3,527,437
1957.....	3,011,495	143,786	16,892	46,065	507,665	229,006	49,533	4,004,442
1958.....	3,021,093	160,222	17,207	48,835	501,586	277,379	48,396	4,074,718
1959.....	3,487,100	181,667	18,614	56,607	589,483	305,419	51,520	4,690,410
1960.....	3,729,969	202,019	38,560	58,948	643,792	275,038	52,112	5,000,438

N.A. Not Available.

<sup>1</sup> Has been carried in the past as Territorial Airlines.

<sup>2</sup> Passenger ton miles for years prior to 1957 were revised to conform with "standard" passenger weights as prescribed by the CAB effective January 1, 1957.

<sup>3</sup> See definitions, page 2.

<sup>4</sup> Foreign mail carried by International and Overseas and All-Cargo airlines is included in Excess Baggage. Therefore, it is also reflected in Consolidated Industry Excess Baggage data.

<sup>5</sup> Helicopter passenger service began in 1953.

<sup>6</sup> Express and Freight combined.



# OPERATING

U. S. Scheduled Airline Inc

	Passenger	U. S. Mail		Public Service Revenue <sup>1</sup>	Express	Freight	Other <sup>2</sup>	Total
		Priority	Non-Priority					
<b>Domestic Trunk Airlines</b>								
1955.....	1,021,855	24,230	2,708	3,192	19,405	39,605	22,353	1,133,348
1956.....	1,142,197	28,937	2,654	2,609	18,101	42,173	26,160	1,262,831
1957.....	1,287,172	31,002	2,760	1,182	14,667	49,870	32,961	1,419,614
1958.....	1,362,992	33,039	3,076	2,386	16,140	57,351	38,265	1,513,249
1959.....	1,632,646	37,159	3,417	.....	19,157	67,026	39,204	1,798,609
1960 P.....	1,756,439	40,415	4,353	.....	21,785	74,792	44,850	1,942,634
<b>Local Service Airlines</b>								
1955.....	32,840	1,084	101	20,923	665	556	1,281	57,450
1956.....	40,166	1,004	102	23,211	775	750	1,704	67,712
1957.....	47,464	1,108	103	29,651	725	1,049	2,039	82,139
1958.....	56,488	1,273	90	32,746	809	1,183	2,364	94,953
1959.....	73,091	1,474	154	42,179	1,019	1,727	3,179	122,823
1960 P.....	83,448	1,755	159	54,650	1,370	2,127	3,322	146,831
<b>Intra-Hawaiian Airlines</b>								
1955.....	5,686	48	.....	291	.....	752 <sup>3</sup>	337	7,114
1956.....	6,042	51	1	288	.....	782	266	7,430
1957.....	6,975	51	2	72	.....	781	479	8,360
1958.....	7,063	54	.....	109	.....	776	1,391	9,393
1959.....	9,476	61	1	168	.....	832	1,062	11,600
1960 P.....	11,196	63	2	.....	.....	953	2,517	14,731
<b>Helicopter Airlines</b>								
1955.....	208	250	.....	2,710	100	23	64	3,355
1956.....	438	234	.....	2,833	115	28	63	3,711
1957.....	968	237	.....	3,567	101	36	123	5,032
1958.....	1,459	214	.....	4,369	101	31	115	6,289
1959.....	2,310	227	.....	4,915	132	39	137	7,760
1960 P.....	3,187	245	.....	4,931	211	41	(14)	8,601

<sup>P</sup> Preliminary

<sup>1</sup> Prior to October 1, 1953, Public Service Revenues were not reported separately.



# REVENUES

(Thousands of Dollars)

	Passenger	U. S. Mail		Public Service Revenue <sup>1</sup>	Express	Freight	Other <sup>2</sup>	Total
		Priority	Non-Priority					
<b>International and Overseas Airlines</b>								
1955.....	294,828	25,639	.....	1,583	77	31,853	30,324	384,304
1956.....	342,553	26,926	.....	8,308	82	36,683	38,113	452,665
1957.....	377,655	28,365	.....	555	80	41,475	39,818	487,948
1958.....	385,999	32,655	.....	.....	145	43,802	43,939	506,540
1959.....	433,098	35,153	.....	.....	93	50,253	46,859	565,456
1960 P.....	515,253	40,736	1,052	.....	120	56,931	44,428	658,520
<b>Alaskan Airlines</b>								
1955.....	8,162	2,333	.....	5,618	.....	2,464	3,747	22,324
1956.....	10,200	2,477	.....	6,241	.....	2,754	7,680	29,352
1957.....	11,263	2,662	.....	6,369	.....	2,651	4,063	27,008
1958.....	12,530	2,915	.....	6,839	.....	2,659	3,981	28,924
1959.....	14,603	3,288	.....	7,473	.....	2,793	5,423	33,580
1960 P.....	15,463	3,633	20	9,221	.....	3,315	5,029	36,681
<b>All-Cargo Airlines</b>								
1955.....	.....	60	.....	.....	.....	18,640	8,335	27,035
1956.....	.....	144	220	.....	447	25,564	26,485	52,860
1957.....	.....	189	263	.....	545	29,281	55,050	85,328
1958.....	.....	1,048	128	.....	300	23,349	52,026	76,851
1959.....	.....	3,154	39	.....	357	28,797	38,781	71,128
1960 P.....	.....	4,735	43	.....	337	24,930	44,509	74,554
<b>CONSOLIDATED INDUSTRY</b>								
1955.....	1,363,579	53,644	2,809	34,317	20,247	93,893	66,441	1,634,930
1956.....	1,541,596	59,773	2,977	43,490	19,520	108,734	100,471	1,876,561
1957.....	1,731,497	63,614	3,128	41,396	16,118	125,143	134,533	2,115,429
1958.....	1,826,531	71,198	3,294	46,449	17,495	129,151	142,081	2,236,199
1959.....	2,165,224	80,516	2,610	54,735	20,665	151,561	134,645	2,610,956
1960 P.....	2,384,986	91,582	5,629	68,802	23,823	163,089	144,641	2,882,552

<sup>2</sup> Other revenues include revenues from excess baggage, foreign mail and charter operations, and incidental revenues.

<sup>3</sup> Express and Freight combined.



# DISTRIBUTION OF

U. S. Scheduled Airline Ind

	Flying Operations	Maintenance	General Services & Administration				Total G. S. & A.	Deprecia- tion & Amorti- zation	Total Operating Expenses
			Passenger Service	Aircraft & Traffic Servicing	Promotion & Sales	Adminis- trative			
<b>Domestic Trunk Airlines</b>									
1955.....	302,591	196,320	72,996	133,274	134,706	68,473	409,449	101,709	1,010,069
1956.....	340,670	239,530	83,953	152,928	159,366	79,462	475,709	106,321	1,162,230
1957.....	434,842	270,328	95,505	217,208	157,561	55,164	525,438	146,968	1,377,576
1958.....	437,515	286,126	101,223	231,109	165,944	56,949	555,226	139,256	1,418,123
1959.....	505,244	346,389	130,939	275,301	198,782	64,990	670,012	171,729	1,693,374
1960 P.....	548,123	397,036	150,355	305,674	215,093	74,359	745,482	217,145	1,907,786
<b>Local Service Airlines</b>									
1955.....	18,080	10,384	2,687	9,563	9,287	4,485	26,022	2,278	56,764
1956.....	21,616	12,610	3,385	11,187	11,399	5,382	31,353	2,714	68,293
1957.....	26,509	16,418	4,028	21,160	6,089	4,938	36,215	3,758	82,900
1958.....	29,267	18,572	4,528	24,047	7,026	5,544	41,146	4,351	93,336
1959.....	36,831	24,951	6,080	31,188	9,291	6,852	53,411	6,887	122,080
1960 P.....	42,026	31,263	7,198	36,482	11,594	8,225	63,499	8,275	145,063
<b>Intra-Hawaiian Airlines</b>									
1955.....	1,942	1,278	245	1,258	1,045	964	3,512	603	7,335
1956.....	2,033	1,259	252	1,317	1,182	848	3,599	416	7,307
1957.....	2,212	1,422	278	1,521	1,265	868	3,932	515	8,081
1958.....	2,504	1,698	413	1,671	1,283	1,022	4,393	661	9,256
1959.....	3,076	1,933	456	1,948	1,726	1,223	5,353	909	11,271
1960 P.....	4,066	3,052	629	2,319	2,044	1,335	6,327	1,368	14,813
<b>Helicopter Airlines</b>									
1955.....	614	871	21	425	180	393	1,019	451	2,955
1956.....	697	981	21	544	312	496	1,373	605	3,656
1957.....	1,108	1,381	.....	.....	.....	.....	1,765 1	911	5,164
1958.....	1,416	1,618	.....	.....	.....	.....	1,982 1	946	5,962
1959.....	1,696	2,018	.....	.....	.....	.....	2,362 1	1,035	7,111
1960 P.....	1,934	2,546	.....	.....	.....	.....	2,710	1,192	8,382

P Preliminary.

1 Detailed expense data not reported.

# OPERATING EXPENSES

(Thousands of Dollars)

	Flying Operations	Maintenance	Passenger Service	General Services & Administration			Total G. S. & A.	Deprecia- tion & Amorti- zation	Total Operating Expenses
				Aircraft & Traffic Servicing	Promotion & Sales	Adminis- trative			
<b>International &amp; Overseas Airlines</b>									
1955.....	108,501	58,975	26,773	46,990	61,980	31,291	167,034	31,094	365,604
1956.....	125,613	72,069	31,053	51,583	70,822	33,808	187,266	34,593	419,541
1957.....	142,944	72,326	32,519	67,187	70,902	24,631	195,239 <sup>2</sup>	50,359	460,868
1958.....	155,060	79,892	35,516	72,716	75,759	24,412	210,695 <sup>2</sup>	50,824	496,471
1959.....	161,300	89,740	42,762	80,503	85,866	27,617	238,125 <sup>2</sup>	58,183	547,348
1960 P.....	170,994	96,363	46,333	94,276	100,371	27,354	270,148	75,861	613,366
<b>Alaskan Airlines</b>									
1955.....	7,191	5,273	773	2,701	1,593	1,519	6,586	1,120	21,706 <sup>2</sup>
1956.....	9,959	5,744	964	3,702	1,831	1,894	8,391	1,364	27,166 <sup>2</sup>
1957.....	8,669	6,215	854	2,779	1,042	853	10,065 <sup>2</sup>	1,646	26,595
1958.....	8,998	6,228	920	3,321	1,068	1,195	10,678 <sup>2</sup>	1,920	27,824
1959.....	10,600	7,720	1,226	3,641	1,311	1,340	12,380 <sup>2</sup>	2,737	33,437
1960 P.....	10,367	7,913	1,349	3,795	1,342	1,462	13,185	2,727	34,192
<b>All-Cargo Airlines</b>									
1955.....	10,635	5,287	267	3,896	2,081	2,103	8,347	2,074	26,343
1956.....	21,677	11,662	1,614	6,353	3,883	3,454	15,304	3,155	53,879 <sup>2</sup>
1957.....	36,563	18,969	3,618	12,450	4,064	4,395	25,203 <sup>2</sup>	8,998	89,734
1958.....	31,929	17,903	2,503	8,878	2,612	4,388	19,145 <sup>2</sup>	9,172	78,149
1959.....	30,461	17,899	1,504	8,510	2,590	4,470	18,405 <sup>2</sup>	7,372	74,137
1960 P.....	33,635	18,513	1,790	9,658	3,243	4,703	19,826	7,999	79,973
<b>CONSOLIDATED INDUSTRY</b>									
1955.....	449,554	278,388	103,762	198,107	210,872	109,228	621,969	139,329	1,490,776 <sup>2</sup>
1956.....	522,265	343,855	121,242	227,614	248,795	125,344	722,995	149,168	1,742,072 <sup>2</sup>
1957.....	652,847	387,060	136,802	322,305	240,923	90,848	797,855 <sup>2</sup>	213,156	2,050,918
1958.....	666,689	412,037	145,103	341,742	253,692	93,510	843,265 <sup>2</sup>	207,130	2,129,121
1959.....	749,208	490,650	182,967	401,091	299,566	106,492	1,000,048 <sup>2</sup>	248,852	2,488,758
1960 P.....	811,142	556,686	207,654	452,204	333,687	117,438	1,121,180	314,567	2,803,575

<sup>2</sup> Total is greater than sum of individual expense categories since segregation of expenses is not reported by all carriers.



# SUMMARY OF

## U. S. Scheduled Airline Inc.

	Total Operating Revenues	Total Operating Expenses	Net Operating Income	Interest on Long-Term Debt	Other Non- Operating Income (Net)	Income Taxes	Net Profit or Loss <sup>1</sup>	Rate of Return on Investment <sup>2</sup> (%)	Profit Margin on Sales <sup>3</sup> (%)
<b>Domestic Trunk Airlines</b>									
1955.....	1,133,348	1,010,069	123,279	6,540	16,388	70,024	63,103	11.8	5.6
1956.....	1,262,831	1,162,230	100,601	9,964	23,917	56,842	57,712	9.4	4.6
1957.....	1,419,614	1,377,576	42,036	16,201	18,651	23,076	26,988	4.9	1.9
1958.....	1,513,249	1,418,123	95,126	24,456	20,588	44,723	44,794	6.3	3.0
1959.....	1,798,609	1,693,374	105,235	32,214	41,721	53,060	61,682	7.3	3.4
1960 P.....	1,942,634	1,907,786	34,848	43,757	31,756	18,213	1,188	2.9	0.1
<b>Local Service Airlines</b>									
1955.....	57,450	56,764	686	219	369	484	352	2.7	0.6
1956.....	67,712	68,293	(581)	376	106	(50)	(801)	(—)	(—)
1957.....	82,139	82,900	(760)	224	(472)	(51)	(1,153)	(—)	(—)
1958.....	94,953	93,336	1,617	808	267	394	1,137	7.9	1.2
1959.....	122,823	122,080	743	1,846	1,158	(177)	232	5.5	0.2
1960 P.....	146,831	145,063	1,768	2,694	582	281	1,620	7.8	1.1
<b>Intra-Hawaiian Airlines</b>									
1955.....	7,114	7,335	(221)	106	210	8	(125)	(—)	(—)
1956.....	7,430	7,307	123	97	(14)	.....	12	3.3	0.2
1957.....	8,360	8,081	278	109	376	53	267	11.0	3.2
1958.....	9,393	9,256	137	164	(5)	.....	(115)	1.2	(—)
1959.....	11,600	11,271	329	289	(11)	(37)	88	5.6	0.8
1960 P.....	14,731	14,813	(82)	477	33	.....	(521)	.....	.....
<b>Helicopter Airlines</b>									
1955.....	3,355	2,955	400	11	155	202	342	10.0	10.2
1956.....	3,711	3,656	55	23	(63)	8	(39)	(—)	(—)
1957.....	5,032	5,164	(131)	64	19	(55)	(111)	(—)	(—)
1958.....	6,289	5,962	327	94	15	113	491	11.4	7.8
1959.....	7,760	7,111	649	78	239	309	501	10.7	6.5
1960 P.....	8,601	8,382	219	43	35	92	150	3.3	1.7

P Preliminary. ( ) Denotes reverse item.

<sup>1</sup> Net Profit or Loss for 1957, 1958, 1959 and 1960 is shown after "Special Items," which are not included in the detail. Therefore, the items do not add to the profit figures shown.

# PROFIT OR LOSS

(Thousands of Dollars)

	Total Operating Revenues	Total Operating Expenses	Net Operating Income	Interest on Long-Term Debt	Other Non- Operating Income (Net)	Income Taxes	Net Profit or Loss <sup>1</sup>	Rate of Return on Investment <sup>2</sup> (%)	Profit Margin on Sales <sup>3</sup> (%)
<b>International and Overseas Airlines</b>									
1955.....	384,304	365,604	18,700	1,700	6,754	10,320	13,434	6.3	3.5
1956.....	452,665	419,541	33,124	3,000	8,169	17,792	20,501	8.2	4.5
1957.....	487,948	460,868	27,080	4,882	8,619	13,252	19,520	7.8	4.0
1958.....	506,540	496,471	10,069	5,759	8,090	5,427	6,548	3.2	1.3
1959.....	565,456	547,348	18,108	8,407	13,305	10,092	12,917	4.7	2.3
1960 P.....	658,520	613,366	45,154	16,295	5,928	18,905	15,105	5.4	2.3
<b>Alaskan Airlines</b>									
1955.....	22,324	21,706	518	76	228	334	436	8.3	2.0
1956.....	29,352	27,166	2,186	222	(98)	870	996	15.1	3.4
1957.....	27,008	26,595	413	362	729	121	900	11.1	3.3
1958.....	28,924	27,824	1,100	418	350	673	391	5.7	1.4
1959.....	33,580	33,437	143	652	524	313	(298)	2.2	(—)
1960 P.....	36,681	34,192	2,489	547	211	792	866	8.1	2.4
<b>All-Cargo Airlines</b>									
1955.....	27,035	26,343	692	561	1,132	80	1,163	9.4	4.4
1956.....	52,860	53,879	(1,019)	488	4,539	1,210	1,822	7.0	3.4
1957.....	85,328	89,734	(4,406)	1,526	4,022	285	(2,207)	(—)	(—)
1958.....	76,851	78,149	(1,298)	1,672	1,655	1,351	(3,726)	(—)	(—)
1959.....	71,128	74,137	(3,009)	1,610	2,823	1,819	(3,615)	(—)	(—)
1960 P.....	74,554	79,973	(5,419)	1,806	(1,711)	(7)	(8,829)	(—)	(—)
<b>CONSOLIDATED INDUSTRY</b>									
1955.....	1,634,930	1,490,776	144,154	9,213	25,236	81,452	78,725	10.8	4.8
1956.....	1,876,561	1,742,072	134,489	14,170	36,556	76,672	30,203	8.8	4.3
1957.....	2,115,429	2,050,918	64,511	23,368	31,665	36,683	44,202	5.1	2.1
1958.....	2,236,199	2,129,121	107,078	33,215	30,960	52,681	49,520	5.2	2.2
1959.....	2,610,956	2,488,758	122,198	45,096	54,784	65,379	71,507	6.3	2.7
1960 P.....	2,882,552	2,803,575	78,977	65,619	36,834	38,276	9,579	3.3	0.3

<sup>2</sup> Net income before interest and after taxes as percent of average net worth and long-term debt.

<sup>3</sup> Profit as percent of revenues.



# ASSETS, LIABILITIES AND

U. S. Scheduled Airline Industry

	1955	1956	1957	1958	1959	(Sept. 30) 1960
<b>Domestic Trunk Airlines <sup>1</sup></b>						
<i>Assets</i>						
Current Assets.....	436,609	439,827	457,611	496,756	633,791	657,704
Investments and Special Funds.....	47,405	146,147	127,943	184,163	132,781	122,846
Flight Equipment.....	890,095	1,097,044	1,363,767	1,531,141	1,898,778	2,197,525
Reserve for Depreciation and Maintenance <sup>3</sup> .....	478,482	553,793	639,019	756,023	832,707	879,167
Airworthiness Reserve.....	.....	.....	.....	.....	.....	16,611
Ground Property and Equipment.....	154,104	180,613	206,452	237,840	279,017	309,230
Reserve for Depreciation.....	77,622	89,217	101,001	115,769	132,551	147,618
Other Property.....	28,402	41,359	49,667	100,445	105,920	84,789
Deferred Charges.....	9,459	13,264	23,541	28,566	55,342	70,020
Other Assets.....	1,175	6,308	.....	.....	.....	.....
Total Assets.....	1,011,145	1,281,552	1,488,961	1,707,119	2,140,371	2,398,718
<i>Liabilities and Equity</i>						
Current Liabilities.....	276,839	333,876	328,844	332,788	474,009	524,282
Long-Term Debt.....	198,916	324,071	469,486	588,730	804,579	961,491
Other Non-Current Liabilities.....	.....	.....	1,224	19,712	2,015	31,087
Operating Reserves.....	8,365	10,490	.....	.....	.....	.....
Deferred Credits.....	22,886	37,646	51,480	78,818	114,564	133,331
Stockholders' Equity—Net of Treasury Stock.....	504,139	575,469	637,927	687,071	745,204	748,527
Preferred Stock.....	29,789	16,592	15,805	24,000	19,071	18,883
Common Stock.....	80,172	88,555	108,502	111,473	116,627	118,505
Other Paid-In Capital.....	141,839	178,058	215,292	236,105	262,521	274,611
Retained Earnings.....	252,339	291,872	298,328	315,493	347,420	337,147
Total Liabilities and Equity.....	1,011,145	1,281,552	1,488,961	1,707,119	2,140,371	2,398,718
<b>Local Service Airlines</b>						
<i>Assets</i>						
Current Assets.....	12,970	14,873	16,512	20,003	29,897	34,543
Investments and Special Funds.....	950	1,438	3,028	2,894	2,055	2,209
Flight Equipment.....	21,451	26,105	32,949	46,308	67,202	75,740
Reserve for Depreciation and Maintenance <sup>3</sup> .....	11,096	12,628	16,825	20,445	25,090	23,872
Airworthiness Reserve.....	.....	.....	.....	.....	.....	4,862
Ground Property and Equipment.....	5,122	5,795	6,544	7,594	9,869	10,814
Reserve for Depreciation.....	2,555	2,949	3,556	4,119	4,870	5,548
Other Property.....	682	3,692	607	1,518	1,931	1,014
Deferred Charges.....	885	1,564	1,931	2,650	3,574	4,283
Other Assets.....	2	35	.....	.....	.....	.....
Total Assets.....	28,411	37,925	41,190	56,403	84,568	94,321
<i>Liabilities and Equity</i>						
Current Liabilities.....	12,461	17,431	22,002	25,134	34,214	37,977
Long-Term Debt.....	4,013	7,800	8,656	18,106	31,062	40,773
Other Non-Current Liabilities.....	.....	.....	205	363	4,072	1,517
Operating Reserves.....	783	1,138	.....	.....	.....	.....
Deferred Credits.....	21	303	264	220	293	332
Stockholders' Equity—Net of Treasury Stock.....	11,133	11,253	10,063	12,580	14,927	13,722
Preferred Stock.....	412	920	163	163	351	163
Common Stock.....	6,345	5,871	6,776	7,279	8,055	8,305
Other Paid-In Capital.....	4,324	4,891	4,863	5,733	7,180	7,183
Retained Earnings.....	52	(429)	(1,739)	(595)	(585)	(1,856)
Total Liabilities and Equity.....	28,411	37,925	41,190	56,403	84,568	94,321

<sup>1</sup> Balance sheet data for domestic trunk airlines reflect their international as well as domestic operations. They are not included in International and Overseas.

<sup>2</sup> Has been carried in the past as Territorial Airlines.  
<sup>3</sup> Does not include maintenance reserve in 1960.

# STOCKHOLDERS' EQUITY

*Thousands of Dollars)*

	1955	1956	1957	1958	1959	(Sept. 30) 1960
<b>Intra-Hawaiian Airlines <sup>2</sup></b>						
<i>Assets</i>						
Current Assets.....	1,068	1,241	1,964	2,102	3,649	3,685
Investments and Special Funds.....	19	15	113	13	299	63
Flight Equipment.....	5,744	6,057	5,932	7,786	11,134	14,341
Reserve for Depreciation and Maintenance <sup>3</sup> .....	2,839	2,930	3,230	3,735	4,104	3,599
Airworthiness Reserve.....	.....	.....	.....	.....	.....	1,557
Ground Property and Equipment.....	1,177	1,276	1,354	1,501	1,777	1,948
Reserve for Depreciation.....	749	847	945	1,043	1,147	1,248
Other Property.....	41	17	133	77	144	220
Deferred Charges.....	180	169	182	633	859	1,370
Other Assets.....	.....	.....	.....	.....	.....	.....
Total Assets.....	4,641	4,998	5,503	7,334	12,611	15,223
<i>Liabilities and Equity</i>						
Current Liabilities.....	1,329	1,520	2,011	2,884	2,619	3,948
Long-Term Debt.....	1,835	1,702	1,635	2,681	6,164	7,762
Other Non-Current Liabilities.....	.....	.....	.....	.....	.....	.....
Operating Reserves.....	20	41	.....	.....	.....	.....
Deferred Credits.....	1	68	23	2	59	142
Stockholders' Equity—Net of Treasury Stock.....	1,456	1,667	1,834	1,767	3,769	3,371
Preferred Stock.....	.....	.....	.....	.....	1,625	1,622
Common Stock.....	1,981	1,981	1,981	1,287	1,304	1,307
Other Paid-In Capital.....	874	832	832	1,530	1,791	1,792
Retained Earnings.....	(1,399)	(1,146)	(979)	(1,050)	(951)	(1,350)
Total Liabilities and Equity.....	4,641	4,998	5,503	7,334	12,611	15,223
<b>Helicopter Airlines</b>						
<i>Assets</i>						
Current Assets.....	2,385	2,307	2,168	2,998	3,316	3,352
Investments and Special Funds.....	321	290	27	54	164	510
Flight Equipment.....	2,508	3,878	5,170	5,023	5,487	5,774
Reserve for Depreciation and Maintenance <sup>3</sup> .....	1,313	1,645	2,336	1,621	2,344	2,815
Airworthiness Reserve.....	.....	.....	.....	.....	.....	153
Ground Property and Equipment.....	312	576	777	825	893	927
Reserve for Depreciation.....	137	197	311	396	496	560
Other Property.....	14	71	1	4	55	27
Deferred Charges.....	163	196	302	429	481	513
Other Assets.....	.....	.....	.....	.....	.....	.....
Total Assets.....	4,253	5,476	5,798	7,316	7,556	7,575
<i>Liabilities and Equity</i>						
Current Liabilities.....	591	735	961	1,804	2,020	1,963
Long-Term Debt.....	87	817	1,033	1,319	696	354
Other Non-Current Liabilities.....	.....	.....	.....	1	1	47
Operating Reserves.....	31	45	.....	.....	.....	.....
Deferred Credits.....	25	69	109	6	152	244
Stockholders' Equity—Net of Treasury Stock.....	3,519	3,810	3,695	4,186	4,687	4,967
Preferred Stock.....	.....	.....	.....	.....	.....	.....
Common Stock.....	677	702	734	771	771	946
Other Paid-In Capital.....	2,201	2,435	2,546	2,685	2,686	2,644
Retained Earnings.....	641	673	415	730	1,230	1,377
Total Liabilities and Equity.....	4,253	5,476	5,798	7,316	7,556	7,575



# ASSETS, LIABILITIES AND

U. S. Scheduled Airline Ind

(Sept. 30)  
1960

	1955	1956	1957	1958	1959	(Sept. 30) 1960
<b>International and Overseas Airlines <sup>1</sup></b>						
<i>Assets</i>						
Current Assets.....	109,019	111,560	102,202	116,391	147,151	185,719
Investments and Special Funds.....	33,230	37,987	52,992	93,310	110,962	64,377
Flight Equipment.....	216,737	265,785	276,758	306,428	407,448	539,247
Reserve for Depreciation and Maintenance <sup>3</sup> .....	99,787	114,074	132,185	149,995	173,881	189,376
Airworthiness Reserve.....	.....	.....	.....	.....	.....	9,134
Ground Property and Equipment.....	29,595	31,813	34,351	35,784	43,619	50,301
Reserve for Depreciation.....	18,424	18,614	20,741	22,348	23,943	26,426
Other Property.....	2,719	2,450	4,239	5,585	6,990	6,335
Deferred Charges.....	3,766	4,440	4,413	9,573	18,112	26,990
Other Assets.....	.....	.....	.....	.....	.....	.....
Total Assets.....	276,855	321,347	322,029	394,728	536,458	648,033
<i>Liabilities and Equity</i>						
Current Liabilities.....	80,041	92,352	87,424	65,298	108,491	133,481
Long-Term Debt.....	60,481	83,406	85,653	167,234	257,320	324,144
Other Non-Current Liabilities.....	.....	.....	1,011	775	1,486	2,286
Operating Reserves.....	3,319	3,584	.....	.....	.....	.....
Deferred Credits.....	5,846	6,058	6,648	8,445	9,839	25,627
Stockholders' Equity—Net of Treasury Stock.....	127,168	135,947	141,293	152,976	159,322	162,495
Preferred Stock.....	150	.....	.....	.....	.....	.....
Common Stock.....	13,622	13,792	16,310	15,462	16,970	17,089
Other Paid-In Capital.....	63,120	63,460	62,129	74,296	75,278	75,183
Retained Earnings.....	50,276	59,119	62,854	63,218	68,610	71,791
Total Liabilities and Equity.....	276,855	321,347	322,029	394,728	536,458	648,033
<b>Alaskan Airlines</b>						
<i>Assets</i>						
Current Assets.....	5,600	7,129	7,682	8,271	7,889	9,694
Investments and Special Funds.....	248	532	957	448	339	738
Flight Equipment.....	6,906	11,126	13,668	16,438	20,585	19,474
Reserve for Depreciation and Maintenance <sup>3</sup> .....	4,981	5,539	6,080	6,601	7,666	7,398
Airworthiness Reserve.....	.....	.....	.....	.....	.....	1,583
Ground Property and Equipment.....	3,808	4,201	4,843	5,009	5,220	5,391
Reserve for Depreciation.....	1,531	1,808	2,138	2,417	2,600	2,760
Other Property.....	163	400	313	2,355	358	232
Deferred Charges.....	358	422	624	590	579	563
Other Assets.....	138	134	.....	.....	.....	.....
Total Assets.....	10,709	16,597	19,869	24,093	24,704	24,351
<i>Liabilities and Equity</i>						
Current Liabilities.....	4,002	6,170	7,084	8,035	8,748	9,328
Long-Term Debt.....	765	3,360	4,942	7,565	7,640	5,683
Other Non-Current Liabilities.....	.....	.....	25	19	89	319
Operating Reserves.....	457	276	.....	.....	.....	.....
Deferred Credits.....	200	42	104	282	141	53
Stockholders' Equity—Net of Treasury Stock.....	5,285	6,749	7,714	8,192	8,086	8,968
Preferred Stock.....	.....	.....	.....	829	248	247
Common Stock.....	2,950	3,152	3,315	2,943	3,497	3,601
Other Paid-In Capital.....	3,605	3,613	3,629	3,655	3,694	3,695
Retained Earnings.....	(1,270)	(16)	770	765	659	1,444
Total Liabilities and Equity.....	10,709	16,597	19,869	24,093	24,704	24,351

<sup>1</sup> Balance sheet data for domestic trunk airlines reflect their international as well as domestic operations. They are not included in International and Overseas.

<sup>2</sup> Has been carried in the past as Territorial Airlines.  
<sup>3</sup> Does not include maintenance reserve in 1960.



# STOCKHOLDERS' EQUITY

of Sept. 30, 1960, In Thousands of Dollars)

	1955	1956	1957	1958	1959	(Sept. 30) 1960
<b>All-Cargo Airlines</b>						
<i>Assets</i>						
Current Assets.....	11,716	21,224	19,589	20,152	20,440	14,940
Investments and Special Funds.....	2,850	17,244	4,629	3,337	20,522	29,531
Flight Equipment.....	24,143	31,540	65,449	55,702	59,118	47,283
Reserve for Depreciation and Maintenance <sup>3</sup> .....	7,575	9,188	17,500	17,522	22,332	18,664
Airworthiness Reserve.....	.....	.....	.....	.....	.....	1,388
Ground Property and Equipment.....	2,753	4,666	5,578	4,499	4,214	4,134
Reserve for Depreciation.....	1,354	1,833	2,382	2,257	2,378	2,336
Other Property.....	399	3,028	2,682	4,533	701	1,674
Deferred Charges.....	410	2,706	5,122	4,963	2,233	1,833
Other Assets.....	140	281	.....	.....	.....	.....
Total Assets.....	33,482	69,668	83,167	73,407	82,518	77,007
<i>Liabilities and Equity</i>						
Current Liabilities.....	10,759	19,301	25,991	22,500	22,001	17,717
Long-Term Debt.....	7,598	16,813	25,121	17,509	28,247	37,375
Other Non-Current Liabilities.....	.....	.....	449	1,900	1,461	929
Operating Reserves.....	1,808	2,311	.....	.....	.....	.....
Deferred Credits.....	235	2,277	3,257	3,325	3,030	2,459
Stockholders' Equity—Net of Treasury Stock.....	13,082	28,966	28,349	28,173	27,779	18,527
Preferred Stock.....	1,211	1,441	1,437	1,437	1,193	991
Common Stock.....	5,466	6,863	8,237	8,901	10,303	10,626
Other Paid-In Capital.....	4,304	14,341	15,701	19,257	22,269	20,381
Retained Earnings.....	2,101	6,321	2,974	(1,422)	(6,077)	(13,466)
Total Liabilities and Equity.....	33,482	69,668	83,167	73,407	82,518	77,007
<b>CONSOLIDATED INDUSTRY</b>						
<i>Assets</i>						
Current Assets.....	579,367	598,161	607,728	666,673	846,133	909,637
Investments and Special Funds.....	85,023	203,653	189,689	284,219	267,122	220,274
Flight Equipment.....	1,167,584	1,441,535	1,763,693	1,968,826	2,469,752	2,899,384
Reserve for Depreciation and Maintenance <sup>3</sup> .....	606,073	699,797	817,175	955,942	1,068,124	1,124,891
Airworthiness Reserve.....	.....	.....	.....	.....	.....	35,288
Ground Property and Equipment.....	196,871	228,940	259,899	293,052	344,609	382,745
Reserve for Depreciation.....	102,372	115,465	131,074	148,349	167,985	186,496
Other Property.....	32,420	51,017	57,642	114,517	116,099	94,291
Deferred Charges.....	15,221	22,761	36,115	47,404	81,180	105,572
Other Assets.....	1,455	6,758	.....	.....	.....	.....
Total Assets.....	1,369,496	1,737,563	1,966,517	2,270,400	2,888,786	3,265,228
<i>Liabilities and Equity</i>						
Current Liabilities.....	386,022	471,385	474,317	458,443	652,102	728,696
Long-Term Debt.....	273,695	437,969	596,526	803,144	1,135,708	1,377,582
Other Non-Current Liabilities.....	.....	.....	2,914	22,770	9,124	36,185
Operating Reserves.....	14,783	17,885	.....	.....	.....	.....
Deferred Credits.....	29,214	46,463	61,885	91,098	128,078	162,188
Stockholders' Equity—Net of Treasury Stock.....	665,782	763,861	830,875	894,945	963,774	960,577
Preferred Stock.....	31,562	18,953	17,405	26,429	22,488	21,906
Common Stock.....	111,213	120,916	145,855	148,116	157,527	160,379
Other Paid-In Capital.....	220,267	267,630	304,992	343,261	375,419	385,489
Retained Earnings.....	302,740	356,394	362,623	377,139	410,306	395,087
Total Liabilities and Equity.....	1,369,496	1,737,563	1,966,517	2,270,400	2,888,786	3,265,228

**REVENUE PASSENGERS  
CARRIED**



**U. S. Scheduled Airline Industry**  
(For Selected Years, In Thousands)  
of Passengers)

	1939	1949	1951	1952	1953	1954	1955	1956	1957 <sup>2</sup>	1958 <sup>2</sup>	1959 <sup>2</sup>	1960 <sup>2</sup>
<b>Domestic Trunk Airlines.....</b>	1,713	14,021	20,621	22,759	26,137	29,526	34,511	37,598	40,270	39,513	44,489	45,199
<b>Local Service Airlines.....</b>		678	1,481	1,736	2,032	2,423	2,897	3,453	3,943	4,265	5,214	5,591
<b>Intra-Hawaiian Airlines.....</b>	22	382	550	515	553	561	591	627	589	572	755	857
<b>Helicopter Airlines.....</b>					1	9	29	62	148	228	366	490
<b>International and Overseas Airlines.....</b>	129	1,520	2,038	2,362	2,682	2,888	3,376	3,888	4,065	4,176	4,707	5,202
<b>Alaskan Airlines <sup>1</sup>.....</b>	n.a.	122	157	194	220	225	264	315	309	313	344	370
<b>TOTAL SCHEDULED AIRLINE INDUSTRY.....</b>	1,864	16,723	24,847	27,566	31,625	35,632	41,623	45,943	49,339	49,067	55,875	57,709
<b>AVERAGE LENGTH OF HAUL (Statute Miles)</b>												
<b>Domestic Trunk Airlines..</b>	397	469	495	533	547	550	557	576	608	618	632	647
<b>International and Overseas Airlines.....</b>	557	1,351	1,275	1,278	1,261	1,296	1,307	1,315	1,415	1,429	1,465	1,564

<sup>1</sup> Alaskan data for 1949 include charter flights. 1939 not available.

<sup>2</sup> Beginning in 1957 passengers were reported on a basis which yielded slightly lower figures than the basis used in prior years. This accounts in part for the typical increase of average length of haul in 1957 as compared to 1956.

**AVERAGE REVENUE  
PER PASSENGER MILE**



**Intercity Common Carriers**  
(For Selected Years, In Cents per Mile)

	1939	1949	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959	1960
<b>Domestic Scheduled Airlines <sup>1</sup></b>													
Coach or Tourist.....		3.96	4.10	4.45	4.18	4.13	4.34	4.32	4.29	4.25	4.52	4.63	5.01
All Services.....	5.28	5.75	5.54	5.59	5.54	5.43	5.37	5.32	5.28	5.25	5.58	5.83	6.01
<b>International Scheduled Airlines</b>													
Coach or Tourist.....						5.77	5.83	n.a.	n.a.	5.77	5.66	5.52	5.57
All Services.....	8.57	7.72	7.28	7.13	7.04	6.88	6.79	6.68	6.70	6.57	6.51	6.44	6.34
<b>Railroads, Class I <sup>2</sup></b>													
First Class.....	2.33	3.14	3.25	3.27	3.35	3.38	3.35	3.31	3.39	3.68	3.75	3.84	3.84
Coach.....	1.80	2.41	2.47	2.47	2.53	2.53	2.50	2.47	2.56	2.71	2.76	2.77	2.77
<b>Intercity Motor Buses, Class I.....</b>													
	1.55	1.85	1.89	1.95	2.03	2.06	2.08	2.06	2.13	2.29	2.42	2.56 <sup>3</sup>	2.61 <sup>3</sup>

<sup>1</sup> Trunk airlines, preliminary.

<sup>2</sup> 10 months 1960. Excludes commutation. Does not include payments to Pullman Company for seat, berth, etc.

<sup>3</sup> ATA estimate.

n.a. Not available.

## TREND OF REVENUE PASSENGER MILES BY CLASS OF SERVICE



U. S. Scheduled Airlines  
(In Millions)

	Domestic *			International and Overseas			
	Coach	First Class	Total	Economy	Tourist	First Class	Total
1951.....	1,278	9,223	10,501	.....	416	2,196	2,612
1952.....	2,356	10,104	12,460	.....	803	2,257	3,060
1953.....	3,719	10,968	14,687	.....	1,426	2,014	3,440
1954.....	5,321	11,374	16,695	.....	2,202	1,597	3,799
1955.....	6,716	13,024	19,740	.....	2,796	1,692	4,488
1956.....	8,074	14,202	22,276	.....	3,377	1,836	5,213
1957.....	9,510	15,736	25,246	203	3,636	2,017	5,856
1958.....	10,076	15,180	25,256	1,343	2,758	2,023	6,124
1959.....	12,304	16,847	29,151	2,130	2,757	2,177	7,064
1960.....	14,417	15,957	30,374	3,037	3,162	2,107	8,306

\* Trunkline and Local Service

## DOMESTIC INTERCITY PASSENGER MILES



(For Selected Years, In Millions)

	1939	1949	1955	1956	1957	1958	1959	1960
<b>Railroad Travel: 1</b>								
First Class.....	7,527	9,349	6,440	6,275	5,185	4,249	3,773	3,650 <sup>5</sup>
Coach.....	11,180	20,310	17,329	17,105	16,365	14,230	13,749	13,200 <sup>5</sup>
<b>Air Travel: 2</b>								
First Class.....	654	6,454	13,025	14,202	15,736	15,180	16,847	15,957
Coach.....	.....	251	6,716	8,074	9,510	10,076	12,304	14,418
<b>Motor Bus Travel 3</b> .....	9,100	22,411	16,562	16,409	16,377	15,083	14,400 <sup>5</sup>	14,400 <sup>5</sup>
<b>Total Common Carriers 6</b> .....	28,461	58,775	60,072	62,065	63,173	58,818	61,073	61,625
<b>Airline Share of Total</b> .....	2.3	11.4	32.9	35.9	40.0	42.9	47.7	49.3
<b>Private Automobile, Intercity 4</b> .....	234,700	376,313	585,800	617,700	644,800	629,496	659,435	660,000 <sup>5</sup>
<b>Total Common Carrier and Auto</b> .....	263,161	435,088	645,872	679,765	707,973	688,314	720,508	721,625
<b>Airline Share of Total Intercity Travel</b> .....	0.2	1.5	3.1	3.3	3.6	3.7	4.0	4.2

1 I.C.C., Statistics of Railways in the United States.

2 1939, CAB, Annual Airline Statistics; 1949, CAB, Recurrent Reports on Traffic Statistics; 1955-1960, Trunk and Local Service Airlines.

3 1939, I.C.C. Statement No. 531, Jan. 1953; 1949-1957, I.C.C. Transport Economics, Jan. 1960, Class I, II and III Interstate Operators.

4 1939, NAMBO, Bus Facts, 20th Edition; 1949-1956, I.C.C. Transport Economics, May 1956 and Dec. 1959, Annual Reports of I.C.C.

5 Estimated.

6 Scheduled services.

## AIRCRAFT OPERATIONS AT FAA AIRPORT TOWERS



1950-1960 (In Thousands)

	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959	1960
<b>Type of Flight Operation</b>											
Military.....	2,384	2,852	2,983	3,712	4,409	4,957	5,472	5,910	5,565	4,545	3,784
General Aviation.....	9,585	9,618	7,965	7,719	8,015	8,540	10,021	12,129	14,037	15,008	14,826
Air Carrier.....	4,002	4,556	4,866	5,384	5,521	5,983	6,553	7,112	6,998	7,353	7,164
Total.....	15,971	17,026	15,814	16,815	17,945	19,480	22,046	25,151	26,600	26,906	25,774
% Air Carrier of Total....	25.1	26.8	30.8	32.0	30.8	30.7	29.7	28.3	26.3	27.3	27.8

Air Carriers include scheduled and non scheduled operations. Each landing is counted as an operation as is also each take off.

## COMPARATIVE TRANSPORT SAFETY RECORD



Passenger Fatality Rate per 100,000,000  
Passenger Miles (For Selected Years)

	1939	1949	1952	1953	1954	1955	1956	1957	1958	1959	1960
<b>Domestic Scheduled Airlines <sup>1</sup></b>											
Fatalities.....	9	93	46	86	16	156	143	30	113	211	336
Rate.....	1.20	1.39	.37	.59	.10	.79	.64	.12	.45	.72	1.10
<b>International and Overseas Scheduled Airlines <sup>2</sup></b>											
Fatalities.....	10	4	94	2	0	2	9	40	11	59	1
Rate.....	12.80	.19	2.98	.06	.....	.04	.17	.67	.18	.86	0.01
<b>Total U. S. Scheduled Airlines</b>											
Fatalities.....	19	97	140	88	16	158	152	70	124	270	337
Rate.....	2.28	1.00	0.86	0.46	0.07	0.62	0.50	0.20	0.38	0.71	0.86
<b>Motor Buses</b>											
Fatalities.....	3	130	120	100	60	90	80	90	120	100	n.a.
Rate.....	3	.23	.21	.18	.11	.18	.16	.17	.24	.18	n.a.
<b>Railroad Passenger Trains</b>											
Fatalities.....	32	29	14	50	23	19	57	17	62	12	32 <sup>4</sup>
Rate.....	.14	.08	.04	.16	.08	.07	.20	.07	.27	.05	.15 <sup>4</sup>
<b>Passenger Autos and Taxis</b>											
Fatalities.....	16,300	17,700	23,300	23,900	22,700	25,100	26,600	25,600	24,200	24,800	n.a.
Rate.....	3.7	2.7	3.0	2.9	2.7	2.7	2.7	2.6	2.3	2.3	n.a.

<sup>1</sup> Alaskan and Hawaiian data included in Domestic beginning in 1959.

<sup>2</sup> Alaska data not included in 1939.

<sup>3</sup> Motor Bus statistics in 1939 included in Passenger Autos and Taxis.

<sup>4</sup> Preliminary  
n.a. Not Available

## POST OFFICE PROFIT



## ON DOMESTIC AIRMAIL

Fiscal Year	Post Office Receipts, Domestic Airmail Postage (000)	Payment to Airlines for Domestic Airmail Service <sup>1</sup> (000)	Other Post Office Expenses, Domestic Airmail <sup>2</sup> (000)	Post Office Profit on Domestic Airmail (000)
1950.....	\$ 74,120	\$63,639	\$ 45,983	(\$35,502)
1955.....	142,571	42,780	79,524	20,267
1956.....	150,938	44,304	88,818	17,816
1957.....	153,189	45,913	91,607	15,669
1958.....	151,236	46,858	96,040	8,338
1959.....	173,979	55,571	96,953	21,455
1960.....	180,317	59,797	101,537	18,983

<sup>1</sup> Payments to domestic and U. S.-Flag international airlines for hauling domestic airmail within continental United States and to off-shore states or territories. This is a Post Office allocation.

<sup>2</sup> Cost of postal services other than air transport of domestic airmail. Includes relatively small payments to surface carriers for hauling airmail and payments to airlines for hauling classes of mail other than airmail.

Source: U. S. Post Office Department, "Cost Ascertainment Report," for years shown.

**AIRCRAFT OWNED  
AND ON ORDER**



**By U. S. Scheduled Airline Industry**  
(For Selected Years)

Manufacturer	Model	1939	1949	1952	1956	1959	1960	New aircraft on order for delivery in:	
								1961	1962
<b>Armstrong-Whitworth:</b>	Argosy (Turboprop)	....	....	....	....	....	1	6	....
<b>Boeing:</b>	247D, 307B, 314	45	5	....	....	....	....	....	....
	377	....	35	44	34	21	3	....	....
	B707 (Jet)	....	....	....	....	66	93	9	....
	B720 (Jet)	....	....	....	....	....	21	50	11
	B727 (Jet)	....	....	....	....	....	....	....	60 <sup>1</sup>
<b>Canadair:</b>	CL44 (Turboprop)	....	....	....	....	....	....	17	....
<b>Convair:</b>	240	....	112	113	100	46	51	....	....
	340	....	....	8	123	122	117	....	....
	440	....	....	....	19	36	31	....	....
	540 (Turboprop)	....	....	....	....	1	10	....	....
	600 (Jet)	....	....	....	....	....	....	15	10
	880 (Jet)	....	....	....	....	....	29	11	....
<b>Curtiss:</b>	C-46	....	2	75	94	66	42	....	....
<b>Douglas:</b>	DC-2	56	....	....	....	....	....	....	....
	DC-3	147	449	419	356	305	276	....	....
	DC-4	....	230	185	143	73	52	....	....
	DC-6	....	109	195	299	325	301	....	....
	DC-7	....	....	....	132	220	217	....	....
	DC-8 (Jet)	....	....	....	....	18	81	14	....
<b>Fairchild:</b>	F-27 (Turboprop)	....	....	....	....	....	44	....	....
<b>Lockheed:</b>	L-10	41	6	....	....	....	....	....	....
	Lodestar	....	11	11	10	....	....	....	....
	Other early models	6	....	....	....	....	....	....	....
	Constellation	....	79	115	117	104	75	....	....
	Super Constellation	....	....	24	79	137	129	....	....
	Electra (Turboprop)	....	....	....	....	....	117	16	....
<b>Martin:</b>	202	....	24	21	23	19	15	....	....
	404	....	....	96	97	85	80	....	....
<b>Sikorsky:</b>	All Types	28	....	....	....	....	....	....	....
<b>Sud Aviation:</b>	Caravelle (Jet)	....	....	....	....	....	....	19	1
<b>Vickers:</b>	V-700 (Series) (Turboprop)	....	....	....	54	67	61	....	....
	V-800 (Series) (Turboprop)	....	....	....	....	15	13	....	....
<b>Other</b>		24	10	17	25	15	24	....	....
<b>Total Fixed Wing</b>		347	1,072	1,323	1,705	1,871	1,883	157	82
<b>Helicopters:</b>									
Bell:	B47	....	6	6	7	5	5	....	....
Sikorsky:	S51	....	5	3	2	2	2	....	....
	S55	....	....	5	8	5	5	....	....
	S58	....	....	....	3	6	7	....	....
	S61 (Turbine)	....	....	....	....	....	....	7	2
	S62 (Turbine)	....	....	....	....	....	1	....	....
	V44B	....	....	....	....	5	5	....	....
	VI07 (Turbine)	....	....	....	....	....	....	5	5
<b>Total Helicopters</b>		....	11	14	20	23	25	12	7

<sup>1</sup> Scheduled for delivery beginning in 1963.

**PERSONNEL  
EMPLOYED**



By the Scheduled Airline  
Industry <sup>1</sup> (1940-1960)

Year (Dec. 31)	Pilots and Copilots	Other Flight Personnel	Pursers, Stewards, Stewardesses	Communi- cations Personnel	Mechanics	Aircraft and Traffic Servicing Personnel	Office Employees	All Others	Total
1940.....	2,279	33	1,036	193	5,413	4,277	7,689	1,131	22,051
1941.....	2,664	49	1,210	220	6,389	4,931	9,710	1,285	26,458
1942.....	3,146	241	1,131	1,610	12,882	7,384	11,083	2,236	39,713
1943.....	2,332	330	992	2,196	10,411	5,191	12,832	4,995	39,279
1944.....	3,345	277	1,516	2,501	9,963	5,748	15,234	4,023	42,607
1945.....	5,897	1,046	2,486	3,477	15,943	9,447	23,904	6,081	68,281
1946.....	7,220	1,503	4,421	5,031	23,376	12,770	31,587	10,646	96,554
1947.....	6,637	1,333	4,077	3,829	21,140	11,610	32,691	3,835	85,152
1948.....	6,926	1,515	4,142	3,661	21,828	11,662	31,145	3,729	84,608
1949.....	6,843	1,602	4,341	3,581	19,535	11,674	30,148	3,270	80,994
1950.....	7,277	1,521	4,427	3,403	19,606	12,256	31,138	3,158	82,786
1951.....	8,386	1,708	5,303	3,618	23,477	14,370	35,081	3,810	95,753
1952.....	8,770	1,852	5,859	3,653	26,162	15,588	37,894	4,294	104,072
1953.....	9,437	2,146	6,106	3,567	26,105	17,353	40,319	4,359	109,392
1954.....	9,495	2,525	6,363	3,332	25,173	17,855	40,670	4,128	109,541
1955.....	10,857	2,762	7,454	3,499	29,196	19,114	45,030	4,291	122,203
1956.....	11,386	3,384	8,097	3,605	30,962	20,657	49,336	4,076	131,503
1957.....	13,286	3,797	9,450	4,004	31,162	36,052	31,799	17,640	147,190
1958.....	12,897	3,667	9,811	3,978	29,580	37,256	32,003	17,958	147,150
1959.....	14,471	4,075	10,902	4,390	32,823	43,839	32,324	21,346	164,170
1960 P.....	13,494	3,934	10,640	4,231	34,449	44,246	32,624	22,790	166,408

<sup>1</sup> Data for Alaskan and All-Cargo carriers not included prior to 1959.

P Preliminary

**U. S. AIRLINES' SHARE  
OF AIR TRAVEL**



Between The United States  
and Foreign Countries <sup>A</sup>  
(Thousands of Passengers)

	1950	1955	1956	1957	1958 <sup>B</sup>	1959 <sup>B</sup>	1960 <sup>C</sup>
Total Passengers to and from U. S.....	2,163	3,422	3,884	4,315	5,075	5,754	6,369
By Air.....	1,094	2,207	2,643	3,053	3,827	4,338	4,880
By Sea.....	1,069	1,215	1,241	1,262	1,248	1,416	1,489
Air Share of Total (Percent).....	50.6	64.5	68.0	70.8	75.4	75.4	76.6
Air Passengers via U. S.-Flag Airlines.....	818	1,508	1,763	1,911	2,207	2,461	2,525
Air Passengers via Foreign-Flag Airlines.....	276	699	880	1,142	1,620	1,877	2,354
U. S.-Flag Share of Total Air Passengers (Percent).....	74.7	68.3	66.7	62.6	57.7	56.7	51.8

<sup>A</sup> Exclusive of travel over land borders (except Mexican air travel), crewmen, military personnel, and travelers between continental United States and its possessions.

<sup>B</sup> Calendar year figures for 1960, 1959 and 1958; Fiscal year figures 1950-57.

<sup>C</sup> Partly estimated.

Source: U. S. Department of Justice, Immigration and Naturalization Service, "Report of Passenger Travel Between the United States and Foreign Countries."



## CLASSES OF UNITED STATES COMMERCIAL AIR CARRIERS

There are nine generally recognized classes of operators in the air transport industry of the United States. These classifications are used by the Civil Aeronautics Board in connection with the economic regulation of the industry and under the Federal Aviation Act are based largely on the scope of operations authorized or allowed by that Act. Classes One to Seven have certificates of convenience and necessity authorizing them to conduct regularly scheduled services.

- 1. The Domestic Trunk Lines** include those carriers which presently have permanent operating rights within the continental United States. There are currently twelve trunk lines, most of which operate high-density traffic routes between the principal traffic centers of the United States.

American	Continental	National	Trans World
Braniff	Delta	Northeast	United
Capital <sup>6</sup>	Eastern	Northwest	Western

- 2. The Domestic Local Service Lines** have, with one exception, been certificated since 1945. These carriers operate routes of lesser traffic density between the smaller traffic centers and between these centers and principal centers. The thirteen local service lines in 1960 were:

Allegheny	Lake Central	Ozark	Southern
Bonanza	Mohawk	Pacific	Trans Texas
Central	North Central	Piedmont	West Coast
Frontier			

- 3. The Intra-Hawaiian Carriers** operate between the several islands comprising the State of Hawaii.

Aloha	Hawaiian
-------	----------

- 4. The Alaskan Carriers** provide service among the continental United States and the State of Alaska and within Alaska.

Operating between continental U. S. and Alaska		Operating within Alaska	
Alaska	Pacific Northern	Alaska	Kodiak
Northwest <sup>1</sup>	Pan American <sup>1</sup>	Alaska Coastal	Northern Consolidated
		Bristol Bay <sup>2 3</sup>	Pacific Northern
		Cordova	Reeve Aleutian
		Ellis	Western Alaska
		Howard J. Mays <sup>2</sup>	Wien

- 5. The Helicopter Carriers** presently operate between airports, central post offices, and suburbs of New York, Chicago and Los Angeles. Originally certificated as exclusive mail carriers they now fly passengers, airfreight and air express, in addition to U. S. mail.

Chicago Helicopter Airways	Los Angeles Airways	New York Airways
----------------------------	---------------------	------------------

- 6. The International and Overseas Lines** include all U. S.-Flag air carriers operating between the United States and foreign countries other than Canada, and over international waters. Some of these carriers conduct operations between foreign countries and some are extensions of domestic trunk lines into Mexico and the Caribbean and to Alaska and Hawaii.

Alaska <sup>5</sup>	Eastern	Pan American	Transportation Corp. of
American	Mackey <sup>2</sup>	Pan American-Grace	America
Braniff	National	Resort <sup>2 4</sup>	Trans World
Caribbean Atlantic	Northwest	Samoa <sup>2</sup>	United
Delta	Pacific Northern <sup>5</sup>	South Pacific <sup>2</sup>	Western

- 7. The All-Cargo Lines** operate under temporary certificates authorizing scheduled cargo flights between designated areas in the U. S., and in one case to the Caribbean and in another to Europe.

AAXICO	Flying Tiger	Seaboard & Western
Aerovias Sud Americana	Riddle	Slick

- 8. Supplemental Air Carriers** are authorized unlimited domestic charter operations and up to 10 flights per month individually ticketed or waybilled between any two domestic points. As of March 1, 1961, there were 35 carriers authorized for this service.

- 9. Others.** What might be termed a tenth classification includes a single carrier, Avalon Air Transport, Inc., a certificated route carrier operating between Los Angeles and Santa Catalina.

Among other classes of operators are the air taxi operators and airfreight forwarders. Air taxi operators are authorized through the exemption process and can operate aircraft up to a gross weight of 12,500 pounds. There are 2,618 authorized. Airfreight forwarders also operate under exemption authority. There are 75 forwarders operating in domestic interstate and foreign and overseas commerce.

<sup>1</sup> Statistical data of these carriers are included with International and Overseas Airlines.

<sup>2</sup> Certificated non-mail carriers.

<sup>3</sup> Not operating.

<sup>4</sup> Certified cruise carrier.

<sup>5</sup> Statistical data of these carriers are included with Alaskan Airlines.

<sup>2 3 4</sup> Statistical data of these carriers are not included in the statistical tables.

<sup>6</sup> In 1961 CAB authorized the merger of Capital Airlines with United Air Lines.



**OFFICERS**

Stuart G. Tipton, *President*  
Frederick Davis, *V.P., Planning & Administration*  
John Hoving, *V.P., Executive Action*  
E. F. Kelly, *V.P., Finance & Accounting*  
W. N. Martin, *V.P., Public Affairs*  
J. L. O'Brien, *V.P., Personnel Relations*  
Leo Seybold, *V.P., Federal Affairs*

John E. Stephen, *General Counsel*  
W. B. Becker, *Director, Operations & Engineering*  
John Lundmark, *Assistant V.P., Traffic*  
F. J. Macklin, *Assistant V.P., Traffic & Director of Tariff*  
J. D. Durand, *Secretary*  
Bess Udoff, *Assistant Secretary*  
J. F. Hintersehr, *Treasurer*

**DIRECTORS**

James W. Austin (Northeast)  
G. T. Baker (National)  
Keith Kahle (Central)  
C. W. Moore (Chicago Helicopter)  
W. A. Patterson (United)  
Robert E. Peach (Mohawk)

Warren Lee Pierson (Trans World)  
Robert W. Prescott (Flying Tiger)  
E. V. Rickenbacker (Eastern)  
Robert F. Six (Continental)  
C. R. Smith (American)  
J. T. Trippe (Pan American)

**MEMBER AIRLINES**

- Alaska Airlines, *Chas F. Willis, Jr., President, 2320 Sixth Avenue, Seattle 1, Washington*  
Alaska Coastal Airlines, *O. F. Benecke, Co-Manager, 2 Marine Way, Juneau, Alaska*  
Allegheny Airlines, *Leslie O. Barnes, President, Washington National Airport, Washington 1, D. C.*  
American Airlines, *C. R. Smith, President, 100 Park Avenue, New York 17, New York*  
Bonanza Air Lines, *Edmund Converse, President & Chairman of the Board, Post Office Box 391, Las Vegas, Nevada*  
Braniff Airways, *C. E. Beard, President, Braniff Airways Building, Exchange Park, Dallas 35, Texas*  
\*Canadian Pacific Airlines, *G. W. G. McConachie, President, Vancouver Airport, Vancouver, B. C., Canada*  
\*Caribbean-Atlantic Airlines, *Dionisio Trigo, President, Post Office Box 6035, Loiza Station, Santurce, Puerto Rico*  
Central Airlines, *Keith Kahle, President, Amon Carter Field, Fort Worth, Texas*  
Chicago Helicopter Airways, *C. W. Moore, Executive Vice President, 5240 West 63rd Street, Chicago 38, Illinois*  
Continental Air Lines, *Robert F. Six, President, Stapleton Airfield, Denver 7, Colorado*  
Delta Air Lines, *C. E. Woolman, President & General Manager, Atlanta Airport, Atlanta, Georgia*  
Eastern Air Lines, *E. V. Rickenbacker, Chairman of the Board, 10 Rockefeller Plaza, New York 20, New York*  
Ellis Air Lines, *R. E. Ellis, President & General Manager, Post Office Box 1059, Ketchikan, Alaska*  
The Flying Tiger Line, *Robert W. Prescott, President, Lockheed Air Terminal, Burbank, California*  
Frontier Airlines, *L. B. Maytag, Jr., President, Stapleton Airfield, Denver 7, Colorado*  
\*Hawaiian Airlines, *A. D. Lewis, President & Chief Executive Officer, Honolulu International Airport, Post Office Box 3287, Honolulu 17, Hawaii*  
Lake Central Airlines, *Gwin Hicks, President, Weir Cook Municipal Airport, Indianapolis 21, Indiana*  
Los Angeles Airways, *C. M. Belinn, President, Box 45155, Airport Station, Los Angeles 45, California*  
Mackey Airlines, *Jos. C. Mackey, President, Broward County International Airport, 4161 S.W. 11th Terrace, Fort Lauderdale, Florida*  
Mohawk Airlines, *Robert E. Peach, President, Oneida County Airport, Utica, New York*  
National Airlines, *G. T. Baker, President, Post Office Box NAL, Airport Mail Facility, Miami 59, Florida*  
New York Airways, *Robt. L. Cummings, Jr., President, Post Office Box 426, LaGuardia Airport Station, Flushing 71, New York*  
North Central Airlines, *Hal N. Carr, President & General Manager, 6201 34th Avenue South, Minneapolis 50, Minnesota*  
Northeast Airlines, *James W. Austin, President & General Manager, Logan International Airport, Boston 28, Massachusetts*  
Northern Consolidated Airlines, *Raymond I. Petersen, President & General Manager, 414 Fourth Avenue, Anchorage, Alaska*  
Northwest Airlines, *D. W. Nyrop, President, 1885 University Avenue, St. Paul 1, Minnesota*  
Ozark Air Lines, *Jos. H. FitzGerald, President, Box 6007, Lambert Field, St. Louis 34, Missouri*  
Pacific Air Lines, *John H. Connelly, President, San Francisco International Airport, San Francisco, California*  
Pacific Northern Airlines, *A. G. Woodley, President & General Manager, 400 Norton Building, Seattle 4, Washington*  
Pan American-Grace Airways, *Andrew B. Shea, President, 135 East 42nd Street, New York 17, New York*  
Pan American World Airways, *J. T. Trippe, President, 135 East 42nd Street, New York 17, New York*  
Piedmont Airlines, *T. H. Davis, President, Smith Reynolds Airport, Winston-Salem 1, North Carolina*  
Reeve Aleutian Airways, *Robert C. Reeve, President & Superintendent of Operations, Box 559, Anchorage, Alaska*  
Resort Airlines, *T. B. Wilson, Chairman of the Board & Chief Executive Officer, Post Office Box 354, Alameda, California*  
Riddle Airlines, *Robert M. Hewitt, President, Post Office Box 535, Miami International Airport Branch, Miami 48, Florida*  
Seaboard & Western Airlines, *Richard M. Jackson, President & Chairman of the Board, Seaboard & Western Building, New York International Airport, Jamaica 30, New York*  
Southern Airways, *Frank W. Hulse, President, 1101 Brown-Marx Building, Birmingham, Alabama*  
\*Trans-Canada Air Lines, *W. Gordon Wood, Vice President-Sales, International Aviation Building, 1080 University Street, Montreal 3, Quebec, Canada*  
\*Trans Caribbean Airways, *O. Roy Chalk, President, 375 Park Avenue, New York 22, New York*  
Trans-Texas Airways, *R. E. McKaughan, President, Suite 814, Texas Eastern Building, Houston 2, Texas*  
Trans World Airlines, *Warren Lee Pierson, Chairman of the Board, 380 Madison Avenue, New York 17, New York*  
United Air Lines, *W. A. Patterson, President, 5959 South Cicero Avenue, Chicago 38, Illinois*  
West Coast Airlines, *Nick Bez, President, 1220 Dexter Horton Building, Seattle 4, Washington*  
Western Air Lines, *T. C. Drinkwater, President, Post Office Box 90, 005, Airport Station, Los Angeles 45, California*  
Wien Alaska Airlines, *Sigurd Wien, President & General Manager, Box 649, Fairbanks, Alaska*

\*Associate Member