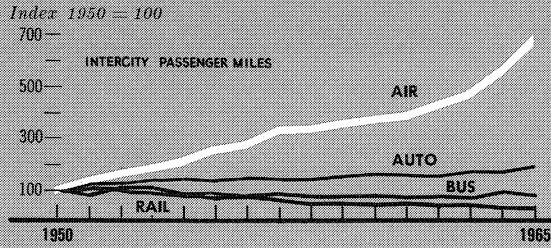
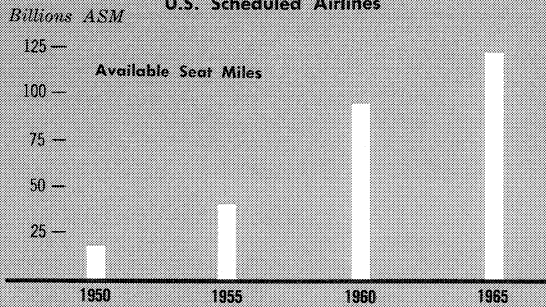


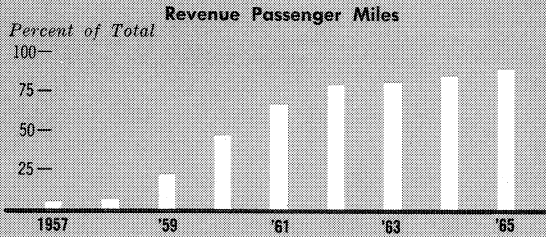
### GROWTH OF DOMESTIC AIR TRAFFIC



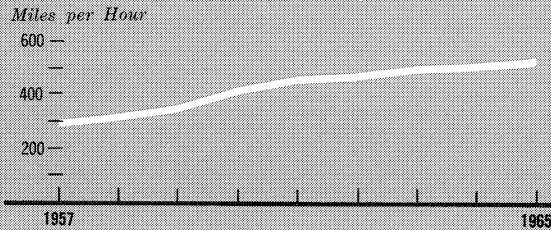
### AIRLINE CAPACITY



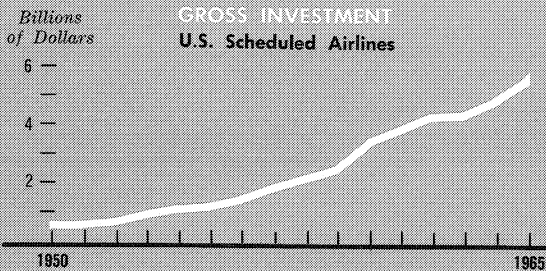
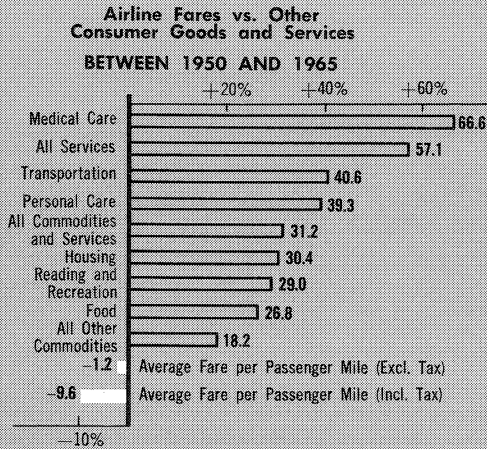
### GROWTH OF TURBINE SERVICE



### AIRLINE SERVICE IMPROVEMENT



### COMPARATIVE PRICE CHANGES



# AIR TRANSPORT

# FACTS & FIGURES

## 1966

OFFICIAL PUBLICATION  
OF THE AIR TRANSPORT  
ASSOCIATION OF AMERICA

# 1965 AT A GLANCE



## Traffic, Financial and Service Summary For the United States Scheduled Airline Industry

|   | 1965                   | 1964        | % Change<br>over 1964 | 1955       | % Change<br>1965 over<br>1955 |
|---|------------------------|-------------|-----------------------|------------|-------------------------------|
| <b>TRAFFIC</b>                                  |                        |             |                       |            |                               |
| Passengers (000).....                           | 94,743                 | 81,762      | 15.9                  | 41,709     | 127.2                         |
| Passenger Miles (000).....                      | 68,676,547             | 58,493,654  | 17.4                  | 24,350,969 | 182.0                         |
| Freight Ton Miles (000).....                    | 1,730,293              | 1,301,487   | 32.9                  | 382,957    | 351.8                         |
| U.S. Mail Ton Miles (000).....                  | 482,977                | 371,309     | 30.1                  | 142,459    | 239.0                         |
| Express Ton Miles (000).....                    | 89,859                 | 78,310      | 14.7                  | 51,332     | 75.1                          |
| Cargo Ton Miles (000).....                      | 2,303,129              | 1,751,106   | 31.5                  | 576,748    | 299.3                         |
| Total Revenue Ton Miles (000).....              | 9,895,109              | 8,015,942   | 23.4                  | 3,087,808  | 220.5                         |
| <b>FINANCIAL</b>                                |                        |             |                       |            |                               |
| Total Operating Revenues (\$000).....           | 4,960,396 <sup>P</sup> | 4,251,302   | 16.7                  | 1,643,412  | 201.8                         |
| Total Operating Expenses (\$000).....           | 4,287,931 <sup>P</sup> | 3,780,726   | 13.4                  | 1,500,788  | 185.7                         |
| Net Operating Income (\$000).....               | 672,467 <sup>P</sup>   | 470,576     | 42.9                  | 142,624    | 371.5                         |
| Net Profit or Loss <sup>1</sup> (\$000).....    | 366,863 <sup>P</sup>   | 224,440     | 63.5                  | 76,457     | 379.8                         |
| Rate of Return on Investment <sup>2</sup> ..... | 11.8% <sup>P</sup>     | 10.8%       | ---                   | 10.0%      | ---                           |
| Profit Margin on Sales <sup>3</sup> .....       | 7.4% <sup>P</sup>      | 5.3%        | ---                   | 4.7%       | ---                           |
| <b>SERVICE</b>                                  |                        |             |                       |            |                               |
| No. of Carriers.....                            | 49                     | 50          | -2.0                  | 52         | -5.8                          |
| No. of Aircraft in Service.....                 | 1,891                  | 1,859       | 1.7                   | 1,487      | 27.2                          |
| Fastest Cruising Speed (mph).....               | 625                    | 625         | ---                   | 350        | 78.6                          |
| Plane Miles Flown (000).....                    | 1,353,499              | 1,189,135   | 13.8                  | 779,926    | 73.5                          |
| Available Seat Miles (000).....                 | 124,328,049            | 106,315,777 | 16.9                  | 38,574,183 | 222.3                         |
| Average No. of Scheduled Daily Flights.....     | 11,500                 | 10,835      | 6.1                   | 8,988      | 27.9                          |
| No. of Points Served <sup>4</sup>               |                        |             |                       |            |                               |
| Domestic.....                                   | 544                    | 542         | .4                    | 591        | -8.0                          |
| International.....                              | 161                    | 154         | 4.5                   | 164        | -1.8                          |
| Route Miles Served                              |                        |             |                       |            |                               |
| Domestic.....                                   | 280,696                | 280,562     | ---                   | 185,823    | 51.1                          |
| International.....                              | 340,950                | 337,795     | .9                    | 275,600    | 23.7                          |
| No. of Employees.....                           | 205,949*               | 191,818     | 7.4                   | 122,203    | 68.5                          |
| Average Annual Wage (\$) <sup>5</sup> .....     | 8,188*                 | 8,011       | 2.2                   | 5,233      | 56.5                          |
| Total Payroll (\$000).....                      | 1,686,280*             | 1,536,603   | 9.7                   | 639,473    | 163.7                         |

<sup>P</sup> Preliminary

<sup>1</sup> After taxes, special items and non-operating income or loss

<sup>2</sup> Net income before interest and after taxes as per cent of average net worth and long term debt. 1965 rate of return reflects those tax reductions which result from the investment credit.

<sup>3</sup> Profit as per cent of revenues

<sup>4</sup> Many points serve more than 1 city. Does not include Alaskan points.

\* As of September 30, 1965

*Twenty-Seventh Edition*

**1966**

**Facts and Figures**

The Standard Reference of  
United States Scheduled Air Transportation

# AIR TRANSPORT ASSOCIATION OF AMERICA

*Twenty-Seventh Edition*

## Facts and Figures, 1966

### Definition of Terms

**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.

**TON MILE.** A ton flown one mile.

**PASSENGER MILE.** One passenger flown one mile.

**PASSENGER LOAD FACTOR.** The percentage of available seat miles actually sold in scheduled service.

**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 free baggage are accepted as equalling one ton.

**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.

**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 investments 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.

**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 OF SALES.** Net profit after interest and after taxes as per cent of operating revenues.

**RATE OF RETURN ON INVESTMENT.** Total return, i.e., net profit plus interest paid on long-term debt, as per cent of average investment. Investment is the average of total net worth (stockholders' equity) plus long-term debt at the beginning and end of each year.

As used in this report, 1965 rate of return reflects those tax reductions which result from the investment credit which, by statute, are to be excluded by the CAB in its official method of calculating the rate of return.

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Revised data filed by the scheduled carriers with the Civil Aeronautics Board are the major source of the statistics.



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

## AIR TRANSPORT AND THE QUALITY OF LIVING

If the growth in airline passenger miles continues at the rate of the past three years, the airline industry will double in volume by 1970. Where is this upsurge leading?

Several times in American history new technology has precipitated extraordinary periods of transport growth, dramatically changing the life of the nation.

In 1810, only one million people lived west of the Alleghenies, but by the mid-century, this population had multiplied 15 times. The development of the river steamboat is credited with this upsurge; western steamboat tonnage multiplied five times between 1830 and 1850.

Westward migration started by the steamboats was greatly expanded by the railroads, which, between 1850 and 1870, quintupled their mileage. Life in the United States was wholly different after the railroads arrived.

By the 1920's the automobile had made a major impact, enlarging the family's cruising range from four miles to 50. In that decade, surfaced mileage of highways in the nation doubled. Since then, of course, the automobile has vastly changed the entire economy.

The current dramatic upsurge in air travel suggests that far-reaching changes in American life are again under way, part of the same old American drive for the new and the different.

Again the story begins with technology. Jet travel—a few hours to anywhere—has clearly challenged our imagination.

Long-continued high levels of economic activity have carried most Americans past the need to worry over the basic necessities of life. Discretionary income was estimated last year at \$170 billion, up 77 per cent from \$96 billion ten years ago.

With this income, Americans choose a better house, an extra car, a new kitchen, or a boat among many other material things. But, at the same time, as the philosophers predicted, they reach out for a long list of non-material things. High on this list is travel.

Americans need little encouragement to travel. Improved education, however, urges them

on. The rise of leisure has a major impact. The monotony of much industrial and office work leads many to seek diversity of experience, and travel is often the answer.

The expansion in the economy has opened new employment opportunities all over the country and millions of families have moved to take advantage of these opportunities. A typical family of the 1960's has ties in many different parts of the country and, thus, many reasons to travel.

The work of productive people in industry, education, government, religion, the sciences, the professions and the arts constantly involves air travel. Such familiarity with air service has created new habits of thinking about distance. Business travel expands into personal travel.

The experience of flight is a strong stimulant to further travel. There are few more spectacular sights than the approach by air to a major city at night. It is difficult to tire of the dramatic snow-covered shapes of Shasta, Hood and Rainier, the reward of less than a single hour of flight along the West Coast. The weathered Appalachians, the long reach of the inter-state highways, a hundred-mile view of the winding course of the Ohio and Mississippi rivers, the vast stretches of empty deserts of the southwest edged by great mountain ranges are today common sights for air travelers.

Most significant of all, the price of air travel, in sharp contrast with most other consumer prices, has been held down. The average fare per passenger mile paid by the air traveler today is below that of 1950, yet the quality of service available to the traveler has improved dramatically.

For all practical purposes, distance has become obsolete. The cruising range of the American family is increased by thousands of miles. Another historic shift has occurred in the organization and pattern of American life. A new era has begun and a new and higher level in the quality of living has been achieved.



# AIRLINES EMERGE AS DYNAMIC NEW FORCE IN ECONOMY

The airline industry has emerged as a new and constructive force in the economy. At the end of World War II, the airlines were still a relatively minor factor in the nation's production of goods and services. But long-sustained expansion in passenger and freight traffic has resulted in a significant change. Air transport is now one of the nation's major industries.

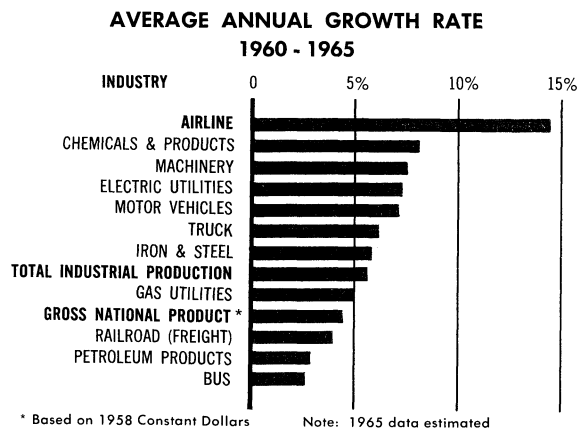
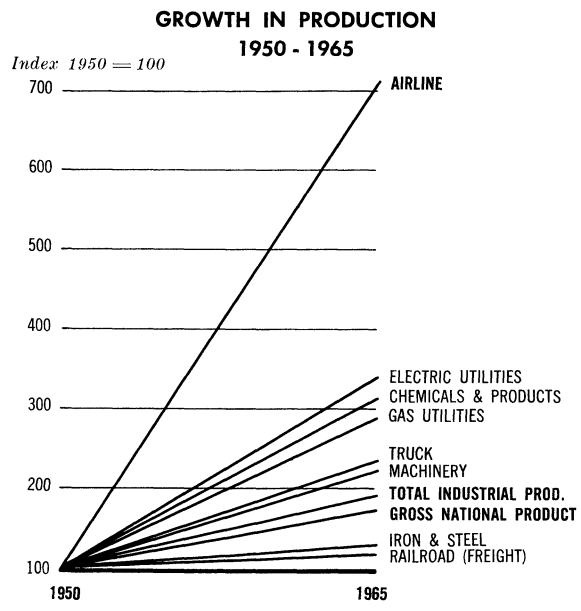
Improvement in service and a declining level of fares have led to an historic shift in the nation's travel habits. Since 1950, the speed of air travel has doubled and the quality of the service, as measured in comfort and convenience, has radically improved. At the same time, in sharp contrast with the increase in consumer prices generally, the average price of an airline seat today is lower than it was in 1950.

Public response to these improvements has been remarkable. Airlines now account for 59 per cent of all inter-city common carrier services, compared with 14 per cent in 1950. In the last three years, the growth rate of airline passenger traffic has averaged 16.2 per cent annually.

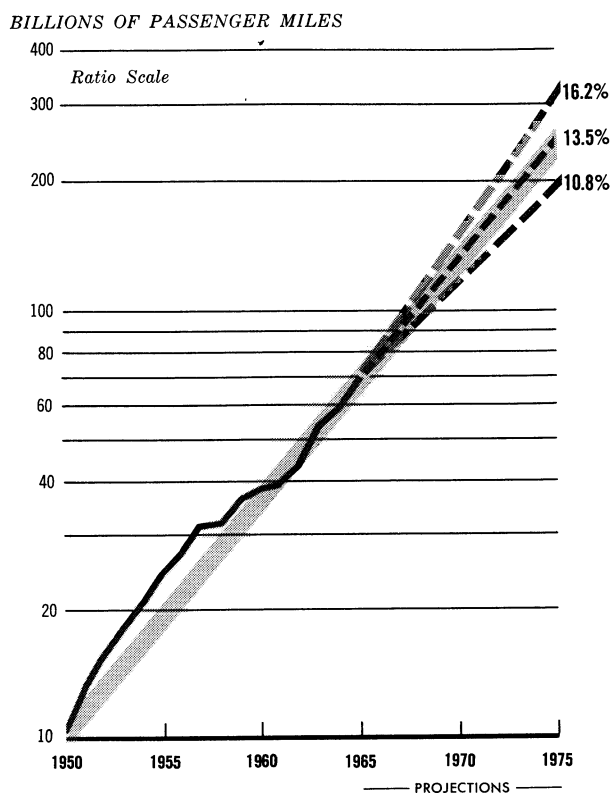
Using 1950 as a base and comparing airline expansion with some of the fastest growing industries in the country, it is clear that the airlines outpaced every other segment of the economy. Airlines today are producing seven times the revenue ton-miles they produced in 1950. Output of electric utilities, the second fastest growing industry, is three and a half times as large as it was in 1950. The growth rate of the airline industry has outdistanced that of other major industries by even wider margins. Over 15 years the airlines have achieved an average growth rate of 14 per cent a year compared with 8 per cent for the electric utilities, and still less for other industries.

Assuming the continued steady growth of the economy, some rough projections can be made as to the future growth of airline passenger traffic. If the 15-year historic trend of 13.5 per cent annual growth in revenue passenger miles continues, traffic will increase from 68 billion in 1965 to 129 billion in 1970. If, however, revenue passenger miles were to continue to increase at the still higher rate experienced in the past three years, they would reach a total of 145

billion by 1970, more than double the 1965 traffic. Assuming, more conservatively, that the increase were at the growth rate of 10.8 per cent annually—a growth rate as much below the long-term trend as the growth rate of the past three years has been above it—passenger miles would total 115 billion by 1970.



**PROJECTIONS OF PASSENGER TRAFFIC  
U.S. Scheduled Airlines**



**INVESTMENT GROWTH**

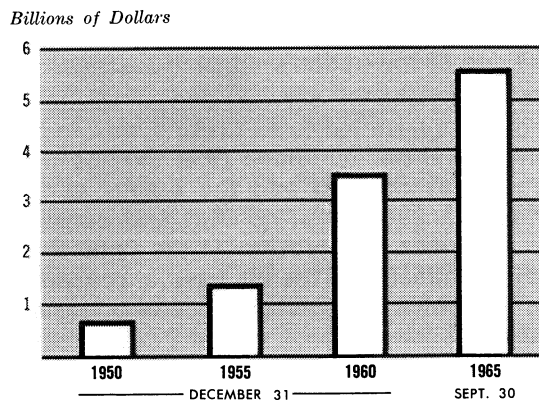
Accompanying the unique growth in traffic of the past 15 years has been a comparable growth in investment in property and equipment. Gross investment in operating property and equipment has expanded from \$625 million in 1950 to \$5.5 billion by the end of 1965.

Expansion of investment reflects the continuing growth of capital expenditures. The airlines in 1965 spent nine times the amount they spent in 1950 for additions to property and equipment. By comparison the communications industry, in the same year, spent a little over five times their 1950 outlay and total manufacturing about four times.

In terms of volume of capital outlays, the airline industry, which had been a negligible factor in this respect in 1950, now ranks as seventh among 32 of the leading industries in the

nation. Capital investment is regarded as a key indicator of continued prosperity. As one of the top contributors to this process, the airlines have emerged as a new and dynamic economic force with major influence on the nation's economic development.

**GROSS INVESTMENT IN OPERATING PROPERTY and EQUIPMENT  
U. S. Scheduled Airlines**



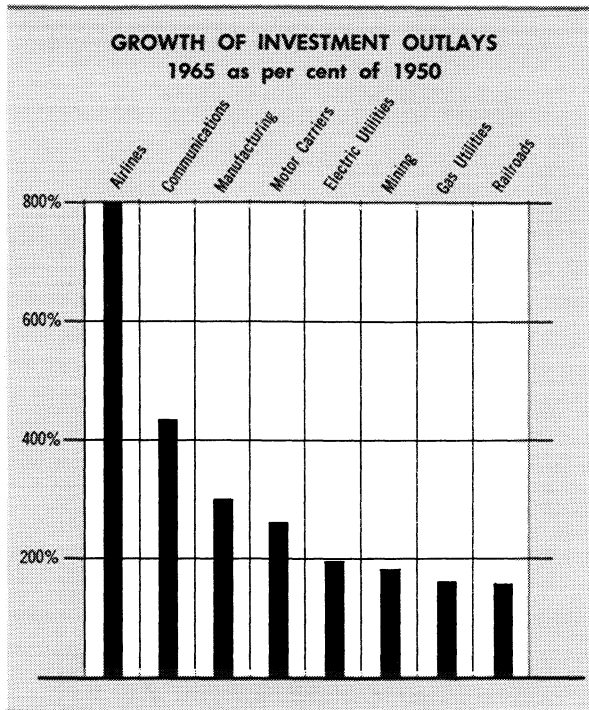
**RE-EQUIPMENT AN ORDERLY PROCESS**

In the past five years, airline outlays for acquisition of modern equipment totaled \$3.6 billion. At the end of 1960, there were 429 jet and turboprop airplanes in the fleet and 1,413 piston airplanes. At the end of 1965, there were 1,000 jets and turboprops and 870 piston airplanes, of which 140 were DC-3's. Last year was the first year in which jets and turboprops outnumbered piston planes in the airline fleet.

Modernization efforts of the airlines, though strenuous, are proceeding according to an orderly plan. Last year, airline expenditures amounted to about 20 per cent of the purchase cost of property and equipment in service at the beginning of the year, representing an addition of about \$1 billion in new equipment and facilities.

Orders for new aircraft at the end of the year totaled 538 jets and 122 turboprops valued at over \$3 billion, an amount nearly equal to the expenditures of the past five years. Two-thirds of the airplanes on order are medium and short range aircraft designed to improve the quality of air service for smaller communities.

Past expansion of the airlines has required large scale capital outlays which have been undertaken in an unending effort to anticipate



public demand and improve the quality of the service. Capital outlays in the five-year period following World War II were \$662 million and about \$1 billion in the first half of the 1950's. But then the picture changed radically with the introduction of the jets. In the 10 years ending in 1965, total outlays of \$6.5 billion were required.

### FUTURE CAPITAL SPENDING

Three basic considerations influence airline equipment decisions at the present time.

First is the need to complete the current re-equipment, expansion and modernization program.

Second is the development of a subsonic aircraft even more efficient than those already in operation. Continuing increases in every type of expense, including wages, fuel and material costs, landing fees, and rentals necessitate a maximum of management and technological economies. Consideration is, therefore, being given to a new and more economical vehicle which can contribute to maintaining or reducing still further the average cost of an airline seat. Designs made possible by the more powerful C-5A engine, with an air scoop seven feet in diameter, are being actively considered. These

include the Boeing 747 and the DC-10, which are capable of carrying 400 or more passengers.

Third is the development of supersonic airplanes which will make possible the tripling of present jet airliner speeds.

Delivery dates of the very large airplanes could be as early as 1970, and of the first of a family of supersonic airplanes, 1972.

These considerations plus assumptions as to traffic growth make possible rough projections of future capital outlays. It is significant that projections for the next five years, solidly based for the most part on firm, announced orders, show a total outlay of \$5.5 billion. As more expensive, but more efficient and productive airplanes come on the line, outlays for the next 10 years may be double those of the last 20.

Orders for civil airplanes and engines now account for over half of the volume of such major military and civil aerospace producers as the Boeing Company. Airline investment thus makes a major contribution to the stability of employment in the aerospace manufacturing industry, particularly on the West Coast and in New England, and in manufacturing of materials, parts and components all over the country. In 1965 U.S. airframe builders alone employed 57,000 persons in the manufacture of civil transports for U.S. airlines.

The implications of airline investment are far-reaching. The improved efficiency and economy of operations made possible by the modern equipment which the airlines have placed in service has been the most important single means of absorbing the steady advances which have occurred in wage rates, and material and equipment prices. By this process, airline investment has enabled the carriers to bring about the recent downward trend in average fares per passenger mile and thus contribute to an easing of inflationary pressures.

### SOURCES OF FUNDS

For the airline industry to finance investment in new facilities and equipment on the scale required, it has been necessary to obtain large amounts of money from the capital markets. In 1965, for example, new long-term financing, chiefly in the form of debt, represented 35 per cent of the funds needed to support capital outlays of the domestic trunk carriers. Retained earnings were sufficient to finance only about 30 per cent of these outlays and the balance was derived from other internal sources.

## RESUMPTION OF EARNINGS

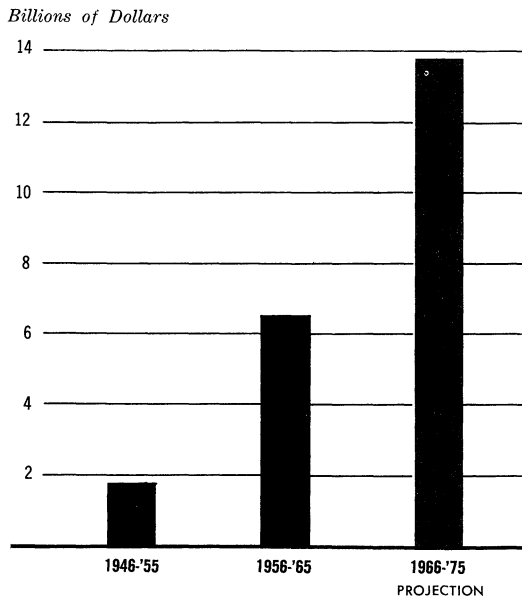
High costs of introducing jet airplanes combined with a business recession dealt a heavy blow to the stability of airline earnings in the early years of the jet age. The airlines experienced nearly eight years of inadequate earnings. The last two years have been good years and a return to the stability of earnings of the early 1950's may be in the making.

### Airline Revenue and Income U. S. Scheduled Airlines

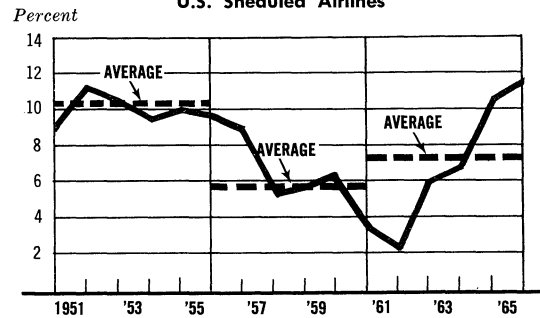
| Year              | Gross Operating Revenue | Net Income    | Rate of Return |
|-------------------|-------------------------|---------------|----------------|
| 1950              | \$ 840,213,000          | \$ 42,678,000 | 9.2%           |
| 1951              | 1,024,045,000           | 55,009,000    | 11.0           |
| 1952              | 1,169,268,000           | 59,537,000    | 10.6           |
| 1953              | 1,317,398,000           | 62,811,000    | 9.9            |
| 1954              | 1,440,977,000           | 67,761,000    | 10.2           |
| 1955              | 1,643,412,000           | 76,457,000    | 10.0           |
| 1956              | 1,897,867,000           | 79,662,000    | 8.9            |
| 1957              | 2,128,386,000           | 44,430,000    | 5.2            |
| 1958              | 2,243,964,000           | 50,396,000    | 5.5            |
| 1959              | 2,618,471,000           | 72,681,000    | 6.2            |
| 1960              | 2,884,277,000           | 9,140,000     | 3.2            |
| 1961              | 3,063,555,000           | -37,874,000   | 2.1            |
| 1962              | 3,438,731,000           | 52,302,000    | 5.7            |
| 1963              | 3,759,051,000           | 78,480,000    | 6.5            |
| 1964              | 4,251,302,000           | 224,440,000   | 10.8           |
| 1965 <sup>p</sup> | 4,960,394,000           | 366,863,000   | 11.8           |

p = preliminary

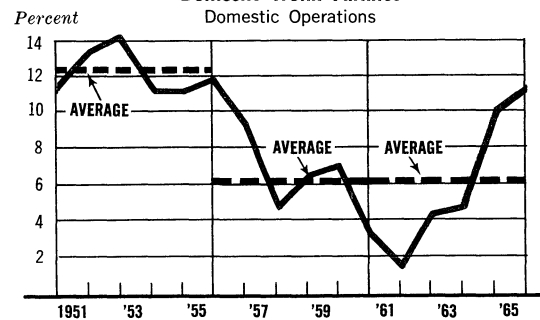
### CAPITAL EXPENDITURES U.S. Scheduled Airlines



### RATE OF RETURN ON TOTAL INVESTMENT U.S. Scheduled Airlines



### Domestic Trunk Airlines Domestic Operations



The rate of return is also showing a satisfactory recovery. In the 1961-1965 period, the average rate of return for the scheduled airline industry as a whole has recovered to about 7.4 per cent. This is above the level of the previous five years, but is still a long way from the performance of the early 1950's, and below the return for a sustained period deemed reasonable by the Civil Aeronautics Board.

### ROLE OF RETAINED EARNINGS

Historically, an overwhelming proportion of airline earnings, far greater than in industry generally, has been retained to help finance required investment in expansion and improvement. This pattern was maintained in 1965. More than 85 per cent of the record profits earned were re-invested in the industry's expansion and improvement program.

Even when rewards have sometimes been slim, as in the long profit drought, the industry has never hesitated to stretch its resources to the limit in the interest of providing the traveling, shipping and letter-writing public with the most efficient and most modern airline service in the world.



# FARE REDUCTIONS OF THE AIRLINES

The airlines are developing fare reductions aimed at stimulating domestic personal and vacation travel. In broad outline the airlines have adapted to air travel marketing practices established in other industries.

Relatively few people buy a standard house, a standard automobile, a standard insurance policy or a standard quantity of advertising space in a newspaper. Different needs of customers are taken into account and a range of products is offered at varying prices to meet this diversity of need.

While not as complex as most systems in other industries, airline fares follow similar principles.

The basic ideas behind the airline fares are simple and can be described under five broad categories.

1. A first class service is offered for travelers who demand de luxe treatment. Despite all the criticism of "frills" in air travel, first class air passengers enjoy one of the last modern survivals of efficient, personalized service.

2. Coach or economy service is offered for a much larger number of customers for whom the price of air travel takes precedence over luxury features.

3. Family fares are available to encourage heads of families to take their wives and children with them on out-of-town trips. There are 48 million heads of families, many of them frequent air travelers. Full fare is paid by the head of the family, one-third less for the wife, and two-thirds less for each of the children. A family of four traveling across the continent saves over \$450.

4. Round trip excursion fares are available involving a 25 per cent reduction from the regular fares. They are designed primarily for those who do not, or cannot, use the family plan. The traveler cannot return in the same calendar week and must arrange his trip so that he does not travel on those few hours of the week or days of the year when air traffic achieves abnormal peaks.

5. Stand-by coach fares at 50 per cent reduction are available to some 33 million youths

## REPRESENTATIVE ROUND TRIP AIRLINE FARES

|                      | New York-<br>Los Angeles | Chicago-<br>Miami | New York-<br>Chicago |
|----------------------|--------------------------|-------------------|----------------------|
| Jet 1st Class—       |                          |                   |                      |
| Regular .....        | \$321.80                 | \$188.40          | \$104.60             |
| Jet Coach—           |                          |                   |                      |
| Regular .....        | 290.20                   | 149.40            | 87.40                |
| Excursion .....      | 217.65                   | 112.20            | 65.55                |
| Family* .....        | 169.30                   | 87.15             | 51.00                |
| Youth/Military ..... | 145.10                   | 74.70             | 43.70                |

\* Individual fare based on family of four.

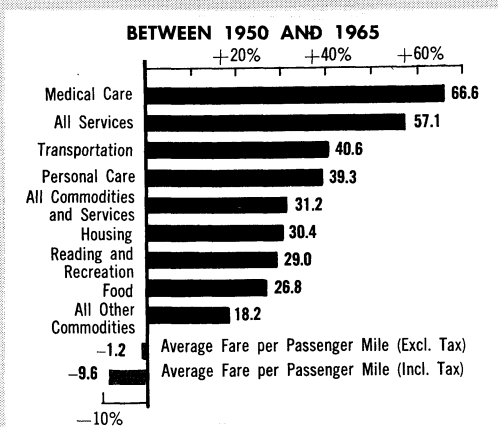
between the ages of 12 and 22 and to three million servicemen for furlough travel. In return for the 50 per cent discount, servicemen and youths stand by at departure time for empty seats.

For tens of millions of Americans who take advantage of these reductions, air travel has become competitive with the cheapest means of transport and, of course, is far superior in quality. On long trips, particularly, one has only to add the price of a few meals and a night or two in a motel to make the jet by far the cheapest means of transport available. Airline passengers who took advantage of these reductions last year saved \$207,000,000 compared with fares in effect in 1962.

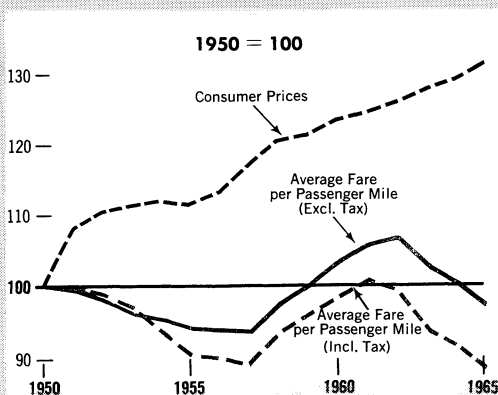
In addition to the basic airline fare system, other excursions and off-season fares are available in established vacation markets such as Florida, Hawaii, Arizona, Puerto Rico, among others and, of course, to certain popular foreign destinations. They are widely used by tour operators who combine airline reductions with hotel, sight-seeing, auto rental and other discounts. ATA has listed over 400 of these packages for use by travel agents and member airlines.

A travel expert takes these fares and constructs a simple, single-price vacation package. With such a package, the vacationer knows precisely how much he will spend on a trip from home to home. Fares which make possible such packages fill a most important need. Night fares and "first time ride fares" also are available on some airlines, but apply less widely.

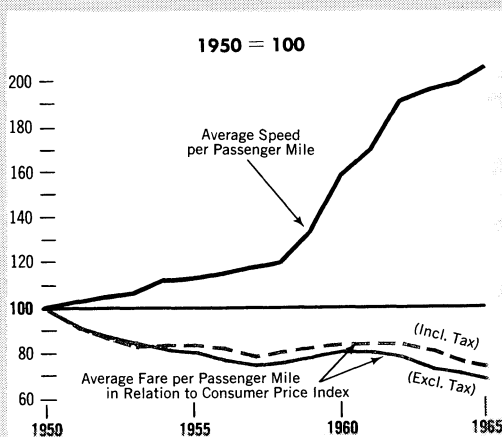
**COMPARATIVE PRICE CHANGES**  
Airline Fares vs. Other  
Consumer Goods and Services



**COMPARATIVE PRICE TRENDS**  
Airline Fares vs.  
Consumer Price Index



**TREND OF CONSUMER VALUE**



**QUALITY UP, PRICE DOWN**

Amid the current concern about the inflationary pressures in the economy, the downward trend of the cost of air travel to the consumer over the last few years strikes a refreshing and encouraging note. The airlines, in common with other industries, have been subject to continuing escalation in wage rates and material and equipment prices. Only a ceaseless improvement in operating efficiency has enabled the airlines to withstand these cost increases and not only to hold the line on the average revenue realized per passenger mile, but gradually to reduce this average. This crucial improvement in efficiency is, in turn, the result of the superior economic performance of the jet aircraft of varying types which are being placed in service in ever-increasing numbers and on more and more routes.

**BELOW A GENERATION AGO**

The effect of this equipment changeover and expansion has been to bring air travel costs in 1965 to a point below those which prevailed a generation ago; and the reduction in the excise tax on transportation during this period has helped to make air travel still more economical.

The average fare realized by the scheduled airline industry in 1965 was 5.87 cents per passenger mile, as against 5.94 cents in 1950. With allowance for the excise tax reduction over this period, the average cost of transportation to airline passengers last year was actually almost 10 per cent below that in 1950. Increasing availability of service at coach and economy fares—which last year accounted for about three-fourths of the industry's passenger traffic—as well as changes in fare levels and widening use of fare-saving plans have contributed to the relative stability of realized fares.

The air fare experience is in sharp contrast with the substantial increases which have occurred in every major category of goods and services which affect the cost of living—food, other commodities, housing, recreation, personal care, transportation (chiefly auto), and medical care.

**LIVING COSTS ON RISE**

The consumer price index as a whole has climbed steadily over the last fifteen years and by last year stood at 31 per cent above the 1950 level. Beginning in 1950, on the other hand, average fares per passenger mile declined stead-

ily until the late '50's; for the next four years the financial demands occasioned by the initial conversion to jets necessitated fare increases, but since then the progressive downward movement of average fare per passenger mile has been resumed at a rate of more than 2 per cent annually.

The marked disparity between the trends of air fares and the cost of living has made air travel one of the outstanding consumer values available today. The relation of air fares to the general level of consumer prices in 1965 was far below the corresponding relation in 1950. In the meantime, the quality of air service—as measured by the speed with which passengers are on the average transported—has more than doubled.

### **SIMPLIFICATION**

The reductions aimed at developing personal and vacation travel by air may have added some complexity to the tariff books, at least temporarily. However, simplification is on the way. The fares for propeller aircraft will soon disappear as more and more propeller planes are retired. Already 75 per cent of the service is in pure jets. Automation is overtaking the ticketing process. Some 60 per cent of the tickets used today are imprinted by machine at ticket counters and vigorous efforts are underway to eliminate the rest of the hand-written tickets.

Consideration is being given to a proposal to store fare information in computers. Ideally, the ticket clerk should be able to ask the computer for an applicable fare and even, if necessary, have the computer write a ticket automatically. This has not been achieved yet because of technical and other difficulties. It will be recalled that it took some years to achieve computerization of reservations. Each airline is continuously reviewing its fare structure. Unnecessary complexity will be eliminated as more experience is gained with the present reductions.

All this need not concern, and is not concerning, the traveler. He does not need to be an expert on the details of airline tariffs any more than he needs to have detailed knowledge of the pricing schedules of any other service or commodity he buys. He does find it useful to be generally aware of the broad outlines of the opportunities for travel savings available to him. When he needs to know specifics, he has only to make a phone call to the nearest airline or travel agent.

## **AIRLINES AND THE MILITARY**

Increasing military commitments of the United States have led to heavy demands on the airlines for airlift of military cargo and personnel. The machinery set up by the ATA and individual carriers permits a 24-hour responsiveness. All military requests for service have been promptly honored.

Military requests for service are world-wide and include substantial domestic travel. Last year, the Military Airlift Command reported that 78 per cent of the passengers moved by MAC were airlifted by scheduled carriers.

Military movements are arranged through the military bureau of the ATA, and the air transport system can handle large numbers of personnel on short notice. For one particular movement last summer, 2,596 men from 10 different installations were accommodated on one day, 701 men on regular flights and the rest on 16 charters. During one month of 1965, over 42,000 troops were moved.

The airline industry maintains airline traffic offices at 90 military installations and last year handled 1,485,000 individual military passengers.

All requests for military lift have been handled under contract charter, or on regular passenger flights. In addition, the airlines have prepared, in cooperation with the government, a program for making available to the military certain designated and especially equipped airplanes in time of emergency. When fully activated in a national emergency, the scheduled airline portion of the Civil Reserve Air Fleet can provide the military with three billion ton-miles of lift. This is about one-third of the ton-miles performed by all the airlines, domestic and international, in 1965. For troop movement, the CRAF fleet can make available about 15 billion seat-miles of service annually, again about one-third of passenger miles operated domestically in 1965.

The CRAF airlift capability, of course, continues to expand as new airplanes are added to the fleet. Since efficient operation of air transport for the domestic economy is essential, the Department of Commerce has the responsibility for commercial aircraft allocations in time of emergency. Commerce is advised by the Defense Department for the military requirements and by the CAB for civil requirements.

## NEW DIMENSIONS FOR AIR CARGO

Improvement in capacity and quality of service continued to provide major stimulation for the growth of air cargo traffic. Cargo revenues, 10 per cent of the total in 1960, were 12 per cent in 1965. The cargo rate of growth has outstripped the rate of growth in passenger service for the past two years. If current trends continue, cargo traffic will double in under five years.

Capacity expansion has made possible a variety of incentive rates for large shipments. It has also led to an industry-wide containerization program.

The rapidity of the expansion of air cargo capacity is illustrated by a five-year comparison of all cargo fleets. In 1960, the airlines operated 1 turboprop and 179 piston-powered cargo aircraft. Assuming maximum loads, these aircraft had a capacity for about 2.5 million ton-miles of cargo service a day.

Today, the fleet consists of 55 jets capable of all-cargo service in addition to 23 turboprops and 85 piston-powered aircraft. Assuming maximum loads and average utilization, this fleet can develop 9.8 million ton-miles of cargo service in a day.

On order are 64 more pure jets which will be available for freighter service, capable of adding 5.7 million ton-miles of service in a day.

### CARGO CAPACITY OF PASSENGER AIRCRAFT

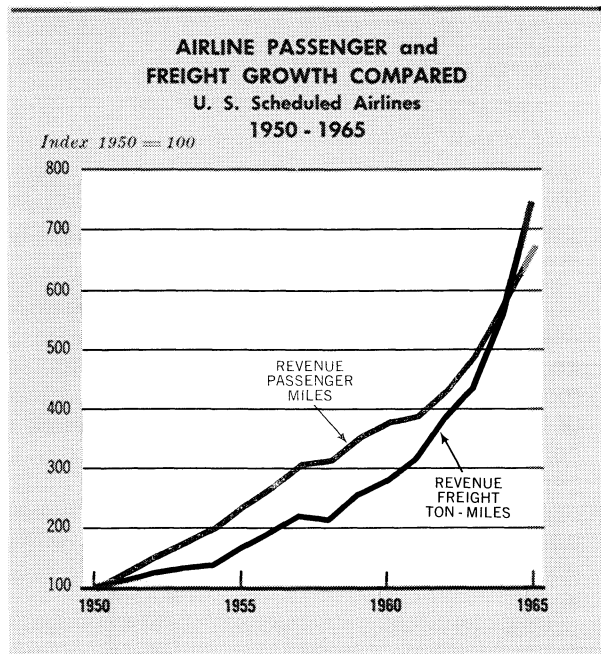
This tells only part of the story. On the piston fleets in 1958, only 3,000 to 5,000 pounds of cargo capacity were available on a typical transcontinental non-stop passenger flight. Today, a jet can handle up to 20,000 pounds of cargo in addition to the passengers' baggage. Between New York and Los Angeles, for example, the airlines are operating 37 passenger non-stop jets a day with maximum capacity for 680,000 pounds of cargo. Between New York and Chicago there are 103 passenger non-stop flights a day, with a total cargo capacity of 1,360,000 pounds. In the New York-Miami market, the maximum available cargo poundage is 1,000,000; between New York and New Orleans 200,000 pounds; between Chicago and Los Angeles 880,000 pounds.

Such large capacities and improvement in speed and frequency have given a new reliability

and dependability to air cargo service. The occasional shipper can now be converted into a regular customer.

As jet service spreads from the major hubs to smaller communities, greatly expanded air cargo capacity goes with it. At the beginning of 1965, 70 cities had jet service. Today, jets are landing regularly in over 90 cities. As the new "quick change" jets come into use, air cargo service will grow in importance for smaller cities. The local service airlines, which have for many years been handicapped in their development of air cargo by volume-limited DC-3 equipment, are re-equipping with airplanes having much greater cargo capacity. Cargo revenues represented 4 per cent of the local carrier revenues in 1960, and 6 per cent in 1965. Local carrier cargo ton-miles rose from 9 million in 1960 to 28 million in 1965.

International air cargo has shown extraordinary growth. Cargo revenue of U.S. international carriers represented 14.9 per cent of international air traffic revenues in 1960 and 17.5 per cent in 1965. International cargo ton-miles rose from 339 million in 1960 to 973 million in 1965, a gain of 187 per cent.





## GROWTH BY MAJOR CITIES

Domestic air cargo ton-miles grew 50 per cent from 1955 to 1960, but between 1960 and 1965, ton-miles more than doubled. Growth rates in different parts of the country varied. The following table shows tons of freight and express loaded on airplanes at the 20 top cities in 1955, 1960 and 1965. The 20 major air hubs in 1965 accounted for 75 per cent of all domestic air cargo.

### TONS OF DOMESTIC CARGO\* ENPLANED AT LARGE HUB CITIES BY U.S. SCHEDULED AIRLINES

| City                               | 1955           | 1960           | Per cent Increase 1960 Over 1955 | 1965           | Per cent Increase 1965 Over 1960 |
|------------------------------------|----------------|----------------|----------------------------------|----------------|----------------------------------|
| 1. Chicago .....                   | 47,487         | 72,080         | 52%                              | 146,390        | 103%                             |
| 2. New York .....                  | 56,998         | 80,929         | 42                               | 141,545        | 75                               |
| 3. Los Angeles ...                 | 26,435         | 40,866         | 55                               | 74,575         | 82                               |
| 4. San Francisco ..                | 16,364         | 30,522         | 87                               | 59,230         | 94                               |
| 5. Detroit .....                   | 5,498          | 23,726         | 332                              | 47,818         | 102                              |
| 6. Dallas .....                    | 8,460          | 19,372         | 129                              | 32,486         | 68                               |
| 7. Boston .....                    | 10,130         | 14,520         | 43                               | 32,202         | 122                              |
| 8. Cleveland .....                 | 12,522         | 17,704         | 41                               | 30,199         | 71                               |
| 9. Atlanta .....                   | 6,550          | 12,444         | 90                               | 26,761         | 115                              |
| 10. Philadelphia ...               | 8,011          | 11,476         | 43                               | 26,084         | 127                              |
| 11. Washington ...                 | 6,898          | 10,781         | 56                               | 19,259         | 79                               |
| 12. Minneapolis/<br>St. Paul ..... | 3,777          | 7,408          | 96                               | 14,901         | 101                              |
| 13. Miami .....                    | 5,154          | 8,299          | 61                               | 14,821         | 79                               |
| 14. Denver .....                   | 5,021          | 7,242          | 44                               | 11,570         | 60                               |
| 15. St. Louis .....                | 4,156          | 6,804          | 64                               | 13,766         | 102                              |
| 16. Kansas City ...                | 4,314          | 5,847          | 36                               | 11,515         | 97                               |
| 17. Pittsburgh .....               | 4,365          | 5,238          | 20                               | 10,865         | 107                              |
| 18. Houston .....                  | 1,718          | 3,680          | 114                              | 10,415         | 183                              |
| 19. Seattle/Tacoma                 | 2,581          | 5,762          | 123                              | 9,209          | 60                               |
| 20. New Orleans ..                 | 1,956          | 2,648          | 35                               | 3,778          | 43                               |
| <b>TOTAL .....</b>                 | <b>238,395</b> | <b>387,348</b> | <b>62</b>                        | <b>737,389</b> | <b>90</b>                        |

\* Freight and express in scheduled service  
Note: Figures are for fiscal years

## MAJOR SHIFTS IN TRAFFIC MIX

In 1955, the top 10 commodities moving in air freight accounted for about 80 per cent of the entire domestic air freight traffic. In 1965, they accounted for slightly over half of the traffic, suggesting a major broadening of the commodity mix. There have also been some interesting changes in the ranking of the top 10 commodities.

## 10 TOP COMMODITIES MOVING IN DOMESTIC AIR FREIGHT (Based on Revenue Ton-Miles)

| 1965                                    | 1955                             |
|---|----------------------------------|
| 1. Machinery parts and equipment        | 1. Machinery parts and equipment |
| 2. Auto parts and accessories           | 2. Cut flowers                   |
| 3. Wearing apparel                      | 3. Electrical products           |
| 4. Printed matter                       | 4. Wearing apparel               |
| 5. Electrical products                  | 5. Printed matter                |
| 6. Fresh fruits, vegetables and berries | 6. Auto parts and accessories    |
| 7. Cut flowers                          | 7. Aircraft parts                |
| 8. Magazines and books                  | 8. General hardware              |
| 9. General hardware                     | 9. Advertising display matter    |
| 10. Metal products                      | 10. Photographic film            |

Historically, there has been a serious directional imbalance in domestic air cargo with 70 per cent of the traffic moving westbound and only 30 per cent eastbound. Today, the expansion of the production of casual clothes in California and the newly developed fruit and cut flower businesses, among others, have brought the directional loads in better balance. In 1965, one leading transcontinental domestic trunk reported its ratio as 58 per cent westbound and 42 per cent eastbound.

Improvement in service has been a major factor in stimulating cargo growth. Increased speed made overnight delivery for great distances routine.

But many other factors have combined to stimulate air freight. The jet freighter is the first airplane to require automated unloading. Time-consuming hand-unloading of packages had to be replaced if the jet freighter was not to spend most of its useful life sitting on the ground. Today freight is loaded and unloaded on huge pallets which slip in and out of the airplane in minutes.

Sorting and assembling loads in terminals has also been automated. A modern air cargo terminal can process half of a freighter load within an hour of departure. This would have been impossible a few years ago. Greater volumes of air cargo now support improved pickup and delivery service. Regular daily shipments involving thousands of pounds can now be handled routinely and reliably.

## IMPACT OF THE COMPUTER

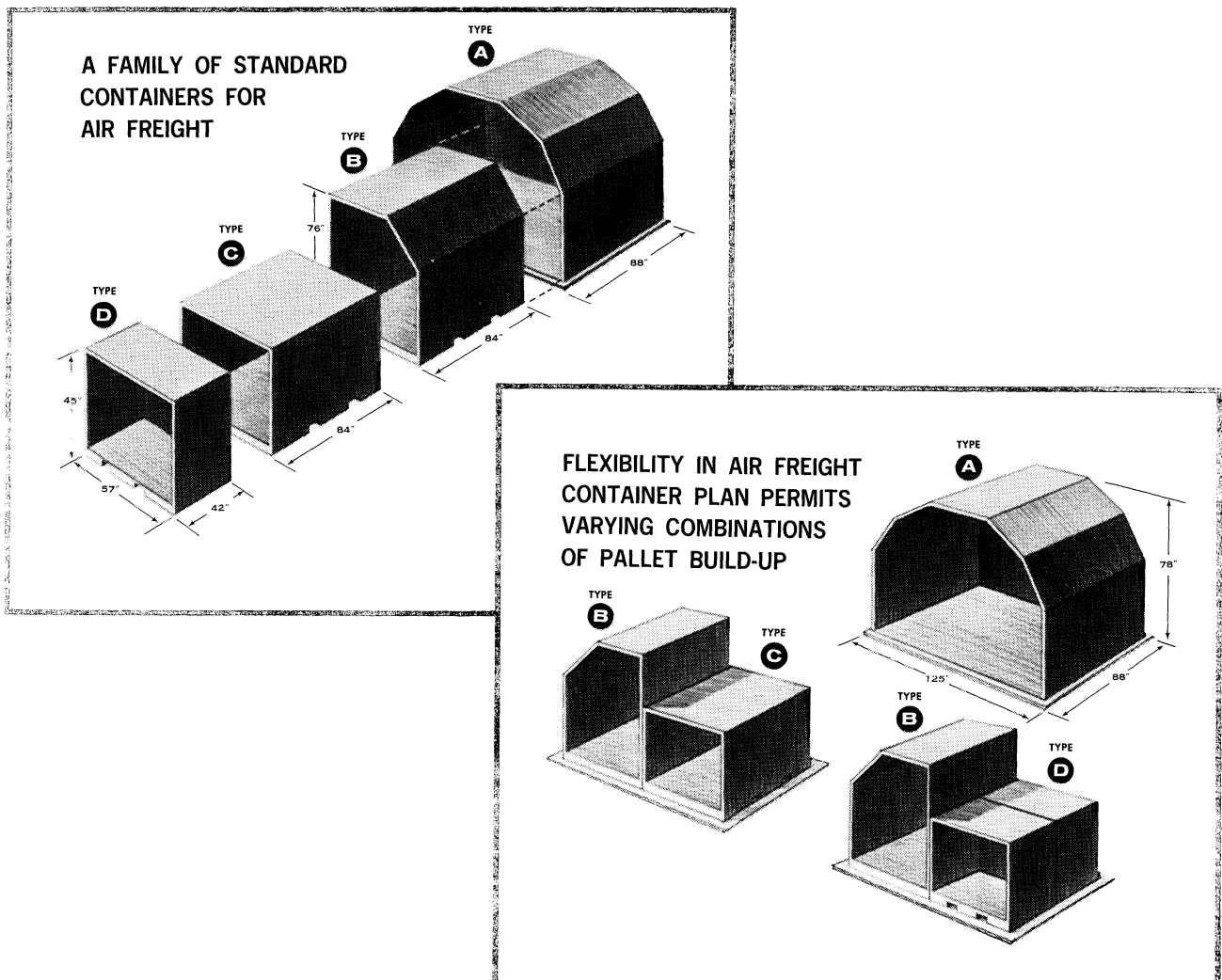
A major factor in the growth of air cargo is the development in industry generally of more sophisticated knowledge of production and distribution costs. A modern computer can analyze the total cost of every element in the production and distribution process and will often indicate that large savings can be achieved by speeding the transportation part of the cycle. The auto and electronics industries, for example, make heavy use of air transport at substantial savings in overall costs.

Average domestic freight yields have declined from 22.8 cents a ton-mile in 1960 to 20.5 in 1965. A few rates are published for specific commodities moving in lots as large as 40,000 pounds. News magazines, for example, move every week in such amounts from Chicago print-

ing plants to the west coast. But incentive rates for shipments of 1,000 to 10,000 pounds have also become common and account for the development of new markets in the shipment of perishables such as strawberries, fresh fruits, pharmaceuticals and flowers.

Airlines expect the newly designed containers to stimulate larger shipments. Incentive reductions averaging 10 per cent will be offered to shippers who make use of containers. Those using the containers will also save time, packaging and documentation costs. Containers can be loaded at the shipper's own plant and delivered directly to plane-side rather than moving through the terminal.

The family of four containers vary in capacity from 625 pounds to 5,000 pounds and are illustrated below.



# THE AIRLINE AS AN EDUCATOR

If airline employees sometimes seem an unusual breed, with higher morale and a shade more enthusiasm for the job than in some of the older industries, part of the reason can be traced to a vast system of internal up-grading.

Half of airline employees are technicians and a good technical man is always hard to find. The best way to keep him is to convince him that promotion lies ahead as a reward for improving his proficiency. What is good for technical people, however, is also good for the non-technical staff. Improving one's proficiency has become a reliable way to promotion in any part of the airline business. In an expanding industry, recognition can be rapid.

The U.S. airline industry's payroll in 1965 was \$1.7 billion and accounted for 40 per cent of overall operating expense. Average salary last year was \$8,188.

One objective test of the morale of airline personnel is the turnover rate. For industry generally, it is 4 per cent per month. For the airlines, it is about 1 per cent per month. In the mechanic category, it is half of one per cent per month and in the pilot category, it is so low that it is hard to measure, less than .1 per cent per month.

## Profile of a Typical Jet Captain on a Major U.S. Airline

|   | As Co-Pilot | As Captain                   | Total  |
|---|-------------|------------------------------|--------|
| Years with Airline .....                      | 7           | 8                            | 15     |
| Flying Hours .....                            | 5,600       | 6,400<br>(4,800 hrs.<br>jet) | 12,000 |
| Landings and Take-offs .....                  | 2,300       | 2,700<br>(2,200 jet)         | 5,000  |
| Airplane Types Flown .....                    | 2           | 4                            | 6      |
| Ground School to Qualify .....                |             | 4 to 5 weeks<br>per aircraft |        |
| Number of 3- to 4-Hour<br>Check Rides .....   |             | 40                           | 40     |
| Refresher Training<br>Courses Completed ..... |             | 16                           | 16     |

Personal Details: Middle forties, married, two to three children  
Salary: \$30-35,000

With such loyalty, airlines know that there is very little waste in any training course they may undertake. Last year, they invested \$150,000,000 in improving and up-grading the skills of their employees.

## IDEAS ON EDUCATION

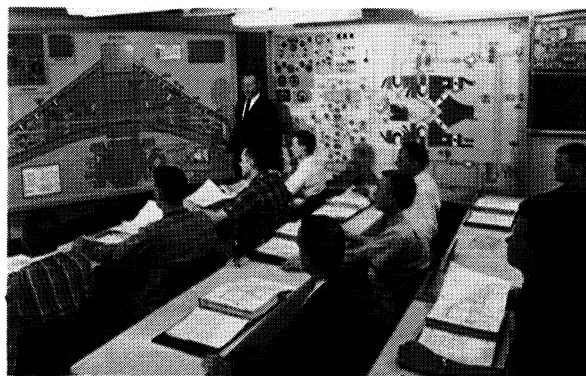
Airline personnel staffs begin with the selection of promotable people. Airlines have an excellent reputation as employers and the choice is usually wide, even in some of the relatively scarce skills, such as mechanics and pilots.

The airline training system then takes over. Airlines are among the most imaginative in industry in devising courses of study which result in high proficiency. At the same time, they believe in frequent retraining to maintain and improve proficiency. Objective periodic testing is widely used in order to make certain that employees are maintaining proficiency. Airline educators decide ahead of time what goals they want their students to achieve and organize the course in such a way that all material to be covered is learned 100 per cent, if that is the objective.

In teaching techniques, the airlines rely heavily on the visual display of information, on practice until the skill becomes second nature and on simulating problems realistically.

## PILOT TRAINING

No body of men in the country is as carefully and continuously educated as the airline pilot. The airlines start with careful selection



PILOTS CAN PICTURE how an airplane system works with the help of schematic display. Cockpit instruments and controls are included so pilot can turn switch, see affected part of system light up, read results on instruments.

from candidates who have on the average 1,500 hours of flying experience. Seventy per cent of last year's recruits had had previous experience in military aviation. The average recruit had two years of college and was 27 years old. He was experienced, mature and yet still young enough to respond well to training.

As a typical example of pilot training, a co-pilot on a DC-9 will begin with five weeks of intensive ground school. Among the advanced training systems in the airlines is one which uses the principles of programmed instruction. Lighted panels give visual information on the function and layout of electrical, hydraulic and fuel systems. The student has only to touch an exact replica of the switch he will use in the cockpit and the appropriate portion of the system he activates in the aircraft will light up on the panel.

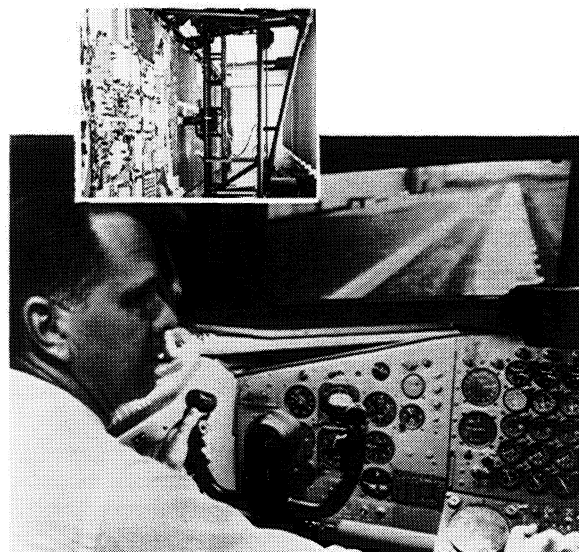
At his desk, the student has a "yes" and "no" button. He can respond immediately to questions put by the instructor as he goes along. Answers from all students show up on the instructor's desk. The instructor is thus concurrently informed as to which students in the class are having difficulty with the material.



HOW DOES IT WORK? Realistic cutaway of jet engine, linked to pilot's controls (left) and flight engineer's controls (right) allow crew members to operate engine and read its performance as they would in airplane.

### PRACTICE IN SIMULATORS

The student then spends 12 to 14 hours in a simulator which duplicates the cockpit on the airplane in every detail, including up and down and rolling motions and even the squeak of the tires touching the concrete. Here the student learns the normal procedures for flying the



APPROACHING RUNWAY, pilot throttles back for landing. He is flying a computer-controlled cockpit that simulates all phases of flight. Runway seen through windows is simulated by TV camera moving over landscape and airport on wall (inset).

airplane. At the same time, he trains for a series of emergencies. Many emergencies are too dangerous to practice in a real airplane, but can easily be simulated and procedures for handling them practiced. Emergencies tend to breed other emergencies and a simulator is an ideal place to practice handling multiple emergencies. When a real emergency takes place, there are no surprises.

From ground school, the student pilot goes into 8 to 12 hours of flight training during which he must demonstrate his competence in a series of normal and emergency maneuvers. After he has passed tough examinations, he rides 20 hours as an observer before he enters line service.

Having achieved proficiency, an airline captain must maintain it through a re-training program every six months. In addition, he is subject to check rides during which a pilot sits behind him and observes and criticizes his flight techniques, catching bad habits, correcting errors and observing any departures from airline-recommended procedures.

At any given time, roughly 10 per cent of an airline's pilots are in training. One major trunk uses three Boeing 707's and one DC-9 continually in flight training. Another airline estimates that between five and seven of its 200 airplanes are continuously assigned to training.





TV DIRECTOR cues instructors making video tape training lesson on new aircraft, systems and hardware. Tape will be shown to mechanics at airline maintenance bases. TV use speeds production and revision of lessons.

### MECHANICS

A typical new mechanic will get a combination of classroom and on-the-job training to qualify him on the aircraft system in which he will specialize. An important new technique developed by one airline is the use of closed circuit television to demonstrate recommended maintenance procedures, particularly on the more difficult jobs. Mechanics also take recurrent training to maintain proficiency and have ample opportunities for additional study and improvement of their ratings.

### STEWARDESSES

Airlines are proud of their stewardess schools which are highly selective in their entrance requirements and maintain high standards. The course lasts six weeks and the curriculum covers such diverse subjects as personal grooming, the proper care of different types of passengers and ways of dealing with a variety of problems involving passengers. Time is spent acquiring proficiency in serving 100 passengers a full dinner in less than an hour. A week is devoted to safety instruction. Every piece of emergency equipment is demonstrated. Trainees learn to open emergency windows in flight, operate escape chutes, and open life rafts. They practice evacuating plane-loads of passengers in under 120 seconds.

### NON-TECHNICAL PERSONNEL

A wide variety of courses from accounting to report and letter writing are conducted by the

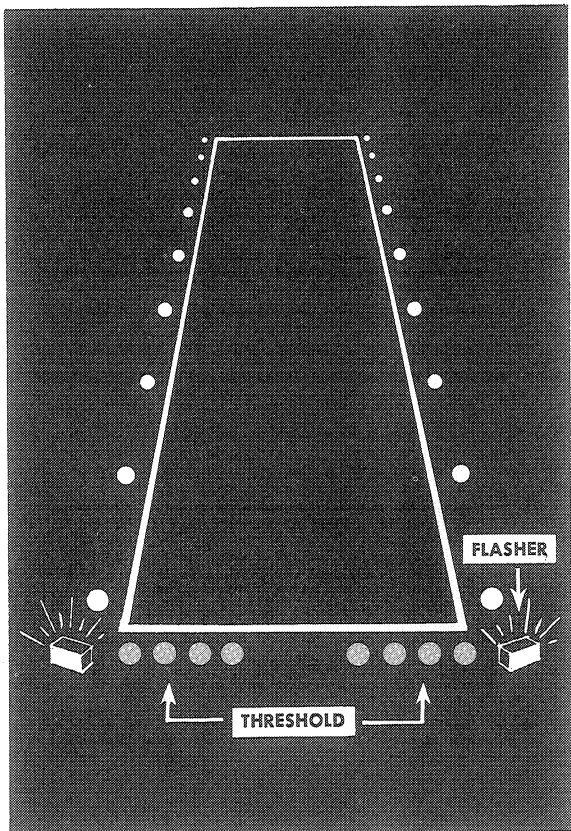
airlines. Particular stress is given to programs for training junior executives and sales training. A modern airline has complex passenger and cargo tariffs. Training in use of these tariffs is elaborate.

Training courses in the non-technical field rely heavily on visual factual presentations, participation in practice exercises, and simulation of problems. One airline has experimented successfully with closed circuit television. A typical discussion concerning a simulated problem will be televised so that trainees can later observe how well their ideas compete with those of others.

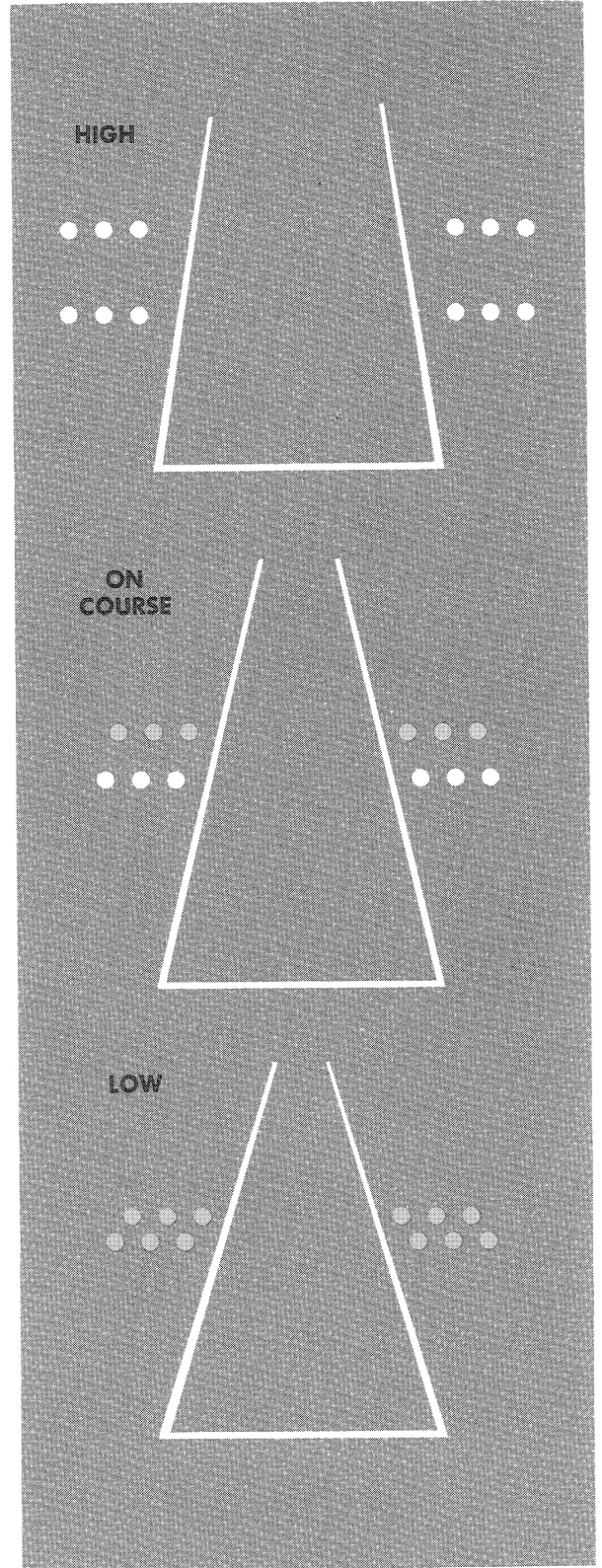


PRACTICING EMERGENCY EXIT, student stewardess uses quick-inflating chute to leave airplane.

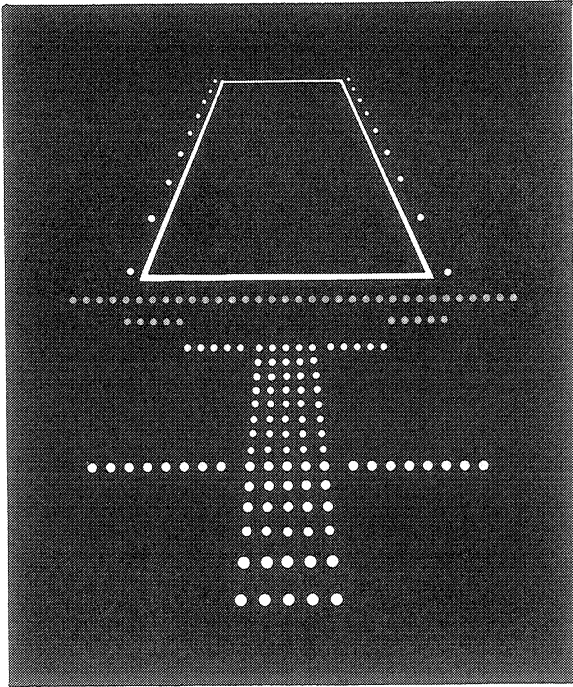
# MODERN LANDING AIDS



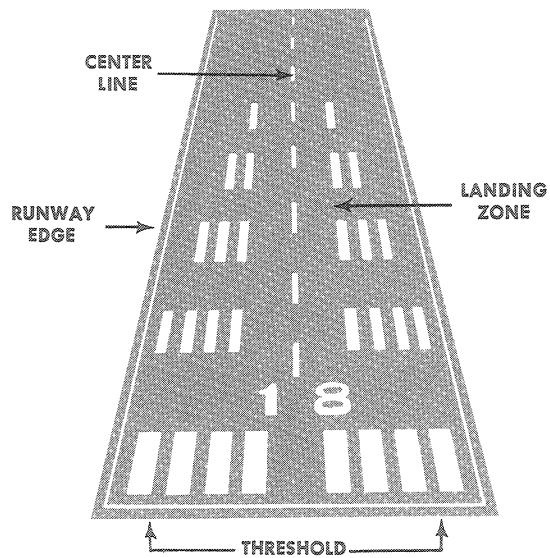
Blue-white, quick-flashing lights show pilot where runway is, let him line up on runway. Pilots get guidance from these lights much farther out than from runway lights because flashers are ten times as bright.



Color of light pairs tells pilot whether he's on, above or below proper descent path. Used day or night, when visibility good enough for pilot to see lights. Known as VASI (Visual Approach Slope Indicator).

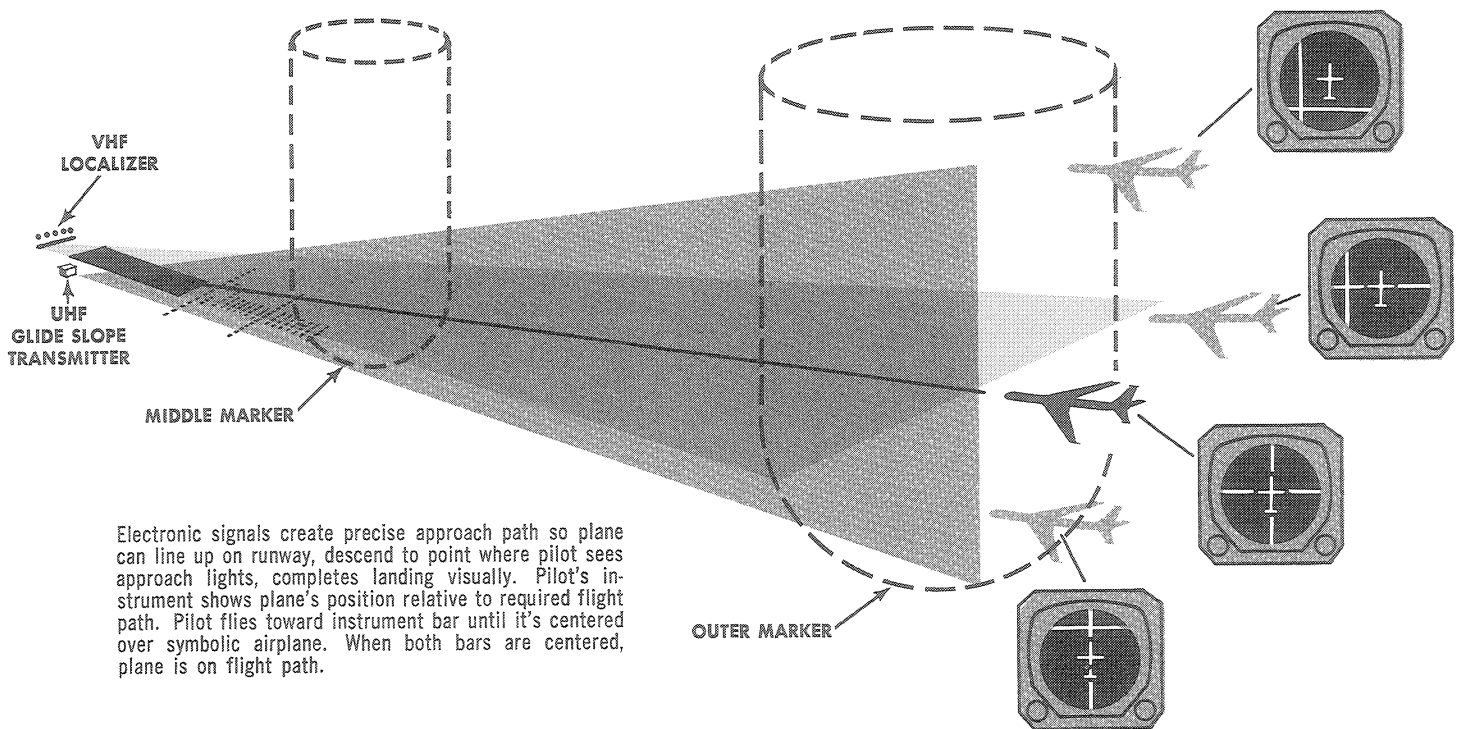


Approach lights used in final seconds of instrument approach begun with electronic ILS. Light pattern gives pilot visual guidance to line up on runway, hold airplane wings level, complete straight-in landing in low visibility.



Runway markings identify threshold and edges of runway, tell pilot where touchdown zone is, and give directional guidance with centerline marking. Used in daytime, poor visibility landings with ILS and approach lights.

## INSTRUMENT LANDINGS SYSTEM (ILS)



Electronic signals create precise approach path so plane can line up on runway, descend to point where pilot sees approach lights, completes landing visually. Pilot's instrument shows plane's position relative to required flight path. Pilot flies toward instrument bar until it's centered over symbolic airplane. When both bars are centered, plane is on flight path.

# AVAILABLE SERVICE AND UTILIZATION

U. S. Scheduled Airline Industry  
(In Millions Except Helicopter)

|   | Available<br>Ton Miles<br>Flown | Revenue<br>Ton Miles<br>Flown | Ton Mile<br>Load<br>Factor (%) | Available<br>Seat Miles<br>Flown | Revenue<br>Passenger<br>Miles<br>Flown | Passenger<br>Load<br>Factor (%) | Revenue<br>Plane<br>Miles<br>Flown |
|---|---------------------------------|-------------------------------|--------------------------------|----------------------------------|--|---------------------------------|------------------------------------|
| <b>Domestic Trunk Airlines</b>                |                                 |                               |                                |                                  |  |                                 |                                    |
| 1955  | 3,880.2                         | 2,189.4                       | 56.4                           | 29,978.6                         | 19,205.7                               | 64.1                            | 563.1                              |
| 1960  | 6,582.8                         | 3,332.5                       | 50.6                           | 49,153.6                         | 29,233.2                               | 59.5                            | 712.8                              |
| 1961  | 7,176.2                         | 3,435.2                       | 47.9                           | 52,525.0                         | 29,534.8                               | 56.2                            | 676.8                              |
| 1962  | 8,114.2                         | 3,771.0                       | 46.5                           | 59,736.8                         | 31,827.8                               | 53.3                            | 699.9                              |
| 1963  | 9,223.0                         | 4,257.6                       | 46.2                           | 67,601.3                         | 36,383.8                               | 53.8                            | 752.7                              |
| 1964  | 10,752.4                        | 4,928.8                       | 45.8                           | 75,242.4                         | 41,658.4                               | 55.4                            | 808.4                              |
| 1965  | 12,850.6                        | 5,983.5                       | 46.6                           | 88,731.2                         | 48,987.0                               | 55.2                            | 926.4                              |
| <b>Local Service Airlines</b>                 |                                 |                               |                                |                                  |  |                                 |                                    |
| 1955  | 124.5                           | 56.2                          | 45.1                           | 1,184.1                          | 534.8                                  | 45.2                            | 51.8                               |
| 1960  | 282.3                           | 121.2                         | 42.9                           | 2,724.7                          | 1,141.6                                | 41.9                            | 93.3                               |
| 1961  | 329.4                           | 142.4                         | 43.2                           | 3,228.4                          | 1,343.8                                | 41.6                            | 103.2                              |
| 1962  | 388.6                           | 170.3                         | 43.8                           | 3,797.5                          | 1,607.7                                | 42.3                            | 113.0                              |
| 1963  | 440.7                           | 198.3                         | 45.0                           | 4,266.9                          | 1,869.0                                | 43.8                            | 121.3                              |
| 1964  | 504.0                           | 239.5                         | 47.5                           | 4,836.3                          | 2,244.5                                | 46.4                            | 133.5                              |
| 1965  | 584.4                           | 281.0                         | 48.1                           | 5,553.9                          | 2,621.2                                | 47.2                            | 145.2                              |
| <b>Intra-Hawaiian Airlines</b>                |                                 |                               |                                |                                  |  |                                 |                                    |
| 1955  | 16.1                            | 8.8                           | 54.7                           | 134.7                            | 78.1                                   | 58.0                            | 4.6                                |
| 1960  | 30.7                            | 17.7                          | 57.7                           | 217.1                            | 127.5                                  | 58.7                            | 5.6                                |
| 1961  | 21.6                            | 12.5                          | 57.9                           | 202.3                            | 125.6                                  | 62.1                            | 5.2                                |
| 1962  | 21.5                            | 12.6                          | 58.6                           | 212.4                            | 128.8                                  | 60.6                            | 5.5                                |
| 1963  | 25.8                            | 14.1                          | 54.7                           | 239.5                            | 144.0                                  | 60.1                            | 5.7                                |
| 1964  | 30.8                            | 17.7                          | 57.5                           | 276.4                            | 166.6                                  | 60.3                            | 5.9                                |
| 1965  | 34.2                            | 20.2                          | 59.1                           | 319.7                            | 195.2                                  | 61.1                            | 6.7                                |
| <b>Helicopter Airlines (in thousands)</b>     |                                 |                               |                                |                                  |  |                                 |                                    |
| 1955  | 437                             | 193                           | 44.2                           | 1,708                            | 628                                    | 36.8                            | 1,152                              |
| 1960  | 2,228                           | 1,053                         | 47.3                           | 18,764                           | 9,475                                  | 50.5                            | 2,219                              |
| 1961  | 2,183                           | 969                           | 44.4                           | 18,276                           | 8,604                                  | 47.1                            | 2,157                              |
| 1962  | 2,329                           | 907                           | 38.9                           | 20,125                           | 8,191                                  | 40.7                            | 1,518                              |
| 1963  | 3,071                           | 1,332                         | 43.4                           | 27,657                           | 12,510                                 | 45.2                            | 1,462                              |
| 1964  | 3,717                           | 1,692                         | 45.5                           | 34,165                           | 16,003                                 | 46.8                            | 1,976                              |
| 1965  | 4,338                           | 1,968                         | 45.4                           | 41,413                           | 18,811                                 | 45.4                            | 1,984                              |
| <b>Intra-Alaskan Airlines</b>                 |                                 |                               |                                |                                  |  |                                 |                                    |
| 1955  | 19.4                            | 13.6                          | 70.1                           | 72.0                             | 32.9                                   | 45.7                            | 6.6                                |
| 1960  | 18.9                            | 10.6                          | 56.1                           | 102.9                            | 43.0                                   | 41.8                            | 6.6                                |
| 1961  | 20.5                            | 11.8                          | 57.6                           | 105.9                            | 46.0                                   | 43.4                            | 7.4                                |
| 1962  | 25.2                            | 13.4                          | 53.2                           | 116.5                            | 47.6                                   | 40.9                            | 7.5                                |
| 1963  | 30.6                            | 16.4                          | 53.6                           | 118.0                            | 46.6                                   | 39.5                            | 7.5                                |
| 1964  | 32.3                            | 17.9                          | 55.4                           | 135.2                            | 55.8                                   | 41.3                            | 7.7                                |
| 1965  | 31.5                            | 18.5                          | 58.7                           | 149.0                            | 65.2                                   | 43.8                            | 7.9                                |
| <b>All-Cargo Airlines<sup>1</sup></b>         |                                 |                               |                                |                                  |  |                                 |                                    |
| 1955  | 195.8                           | 146.8                         | 75.0                           | -----                            | -----                                  | -----                           | 17.1                               |
| 1960  | 427.2                           | 322.8                         | 75.6                           | -----                            | -----                                  | -----                           | 14.6                               |
| 1961  | 560.5                           | 428.2                         | 76.4                           | -----                            | -----                                  | -----                           | 13.2                               |
| 1962  | 847.3                           | 649.6                         | 76.7                           | -----                            | -----                                  | -----                           | 10.6                               |
| 1963  | 719.2                           | 516.4                         | 71.8                           | -----                            | -----                                  | -----                           | 14.1                               |
| 1964  | 816.6                           | 582.2                         | 71.3                           | -----                            | -----                                  | -----                           | 17.2                               |
| 1965  | 1,016.2                         | 733.1                         | 72.1                           | -----                            | -----                                  | -----                           | 17.6                               |
| <b>International and Territorial Airlines</b> |                                 |                               |                                |                                  |  |                                 |                                    |
| 1955  | 1,052.2                         | 672.8                         | 63.9                           | 7,203.0                          | 4,498.9                                | 62.5                            | 135.4                              |
| 1960  | 2,039.0                         | 1,218.2                       | 59.7                           | 13,347.1                         | 8,306.3                                | 62.2                            | 162.6                              |
| 1961  | 2,468.8                         | 1,362.4                       | 55.2                           | 15,769.5                         | 8,768.5                                | 55.6                            | 161.3                              |
| 1962  | 2,925.9                         | 1,619.9                       | 55.4                           | 18,724.4                         | 10,137.8                               | 54.1                            | 171.5                              |
| 1963  | 3,488.2                         | 1,856.0                       | 53.2                           | 22,590.2                         | 11,905.4                               | 52.7                            | 192.1                              |
| 1964  | 4,162.7                         | 2,228.2                       | 53.5                           | 25,791.4                         | 14,352.4                               | 55.6                            | 214.4                              |
| 1965  | 5,140.2                         | 2,856.8                       | 55.6                           | 29,532.8                         | 16,789.0                               | 56.9                            | 247.8                              |
| <b>Consolidated Industry</b>                  |                                 |                               |                                |                                  |  |                                 |                                    |
| 1955  | 5,288.5                         | 3,087.8                       | 58.4                           | 38,574.2                         | 24,351.0                               | 63.1                            | 779.9                              |
| 1960  | 9,383.5                         | 5,024.3                       | 53.5                           | 65,567.3                         | 38,863.0                               | 59.3                            | 998.0                              |
| 1961  | 10,579.9                        | 5,393.9                       | 51.0                           | 71,856.6                         | 39,830.8                               | 55.4                            | 969.7                              |
| 1962  | 12,325.9                        | 6,238.3                       | 50.6                           | 82,611.9                         | 43,760.4                               | 53.0                            | 1,009.8                            |
| 1963  | 13,930.8                        | 6,860.3                       | 49.2                           | 94,844.7                         | 50,362.0                               | 53.1                            | 1,095.1                            |
| 1964  | 16,302.5                        | 8,015.9                       | 49.2                           | 106,315.8                        | 58,493.7                               | 55.0                            | 1,189.1                            |
| 1965  | 19,662.2                        | 9,895.1                       | 50.3                           | 124,328.0                        | 68,676.5                               | 55.2                            | 1,353.5                            |

<sup>1</sup> Includes Domestic and International All-Cargo.

NOTE: Available Ton Miles and Revenue Ton Miles include charter operations; all other items are for scheduled services only. In some instances, individual figures may not add to Consolidated Industry totals because of rounding; Avalon Air Transport figures are included in industry totals for 1960, 1961, 1962, and 1963.



# REVENUE TON MILES OF TRAFFIC CARRIED

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

|   | Passenger | Priority<br>U. S. Mail | Non<br>Priority<br>U. S. Mail | Express | Freight   | Excess<br>Baggage | Charter<br>Flights | TOTAL     |
|---|-----------|------------------------|-------------------------------|---------|-----------|-------------------|--------------------|-----------|
| <b>Domestic Trunk Airlines</b>                |           |                        |                               |         |           |                   |                    |           |
| 1955  | 1,855,106 | 71,834                 | 14,163                        | 49,584  | 173,986   | 19,044            | 5,711              | 2,189,428 |
| 1960  | 2,777,148 | 108,061                | 22,845                        | 55,440  | 320,950   | 29,071            | 18,968             | 3,332,483 |
| 1961  | 2,806,469 | 117,929                | 26,762                        | 56,745  | 384,161   | 26,881            | 16,270             | 3,435,218 |
| 1962  | 3,023,888 | 131,711                | 28,501                        | 64,879  | 473,955   | 25,430            | 22,665             | 3,771,029 |
| 1963  | 3,456,933 | 138,661                | 28,402                        | 64,914  | 520,632   | 23,795            | 24,230             | 4,257,567 |
| 1964  | 3,958,036 | 151,763                | 29,708                        | 70,530  | 650,732   | 22,786            | 45,251             | 4,928,807 |
| 1965  | 4,667,700 | 182,672                | 32,866                        | 80,424  | 835,116   | 19,355            | 165,404            | 5,983,537 |
| <b>Local Service Airlines</b>                 |           |                        |                               |         |           |                   |                    |           |
| 1955  | 50,532    | 956                    | 342                           | 1,427   | 1,391     | 252               | 1,301              | 56,201    |
| 1960  | 108,652   | 2,110                  | 587                           | 2,419   | 3,845     | 799               | 2,744              | 121,155   |
| 1961  | 127,602   | 2,771                  | 584                           | 3,019   | 5,492     | 875               | 2,084              | 142,428   |
| 1962  | 152,676   | 3,303                  | 529                           | 3,772   | 7,218     | 992               | 1,837              | 170,326   |
| 1963  | 177,554   | 3,765                  | 587                           | 4,311   | 9,024     | 1,006             | 2,099              | 198,347   |
| 1964  | 213,233   | 4,350                  | 655                           | 5,080   | 11,923    | 1,194             | 3,047              | 239,482   |
| 1965  | 249,244   | 5,520                  | 814                           | 5,983   | 15,484    | 1,066             | 2,873              | 280,984   |
| <b>Intra-Hawaiian Airlines</b>                |           |                        |                               |         |           |                   |                    |           |
| 1955  | 6,599     | 59                     | -----                         | -----   | 1,647     | 21                | 436                | 8,762     |
| 1960  | 10,156    | 82                     | 5                             | -----   | 1,806     | 31                | 5,605              | 17,685    |
| 1961  | 10,047    | 82                     | 14                            | -----   | 1,846     | 31                | 494                | 12,515    |
| 1962  | 10,308    | 90                     | 19                            | -----   | 2,100     | 51                | 9                  | 12,577    |
| 1963  | 11,518    | 93                     | 21                            | -----   | 2,152     | 40                | 284                | 14,109    |
| 1964  | 14,578    | 99                     | 26                            | -----   | 2,472     | 58                | 433                | 17,665    |
| 1965  | 17,079    | 106                    | 229                           | -----   | 2,431     | 58                | 285                | 20,188    |
| <b>Helicopter Airlines</b>                    |           |                        |                               |         |           |                   |                    |           |
| 1955  | 58        | 97                     | -----                         | 32      | 5         | -----             | 1                  | 193       |
| 1960  | 901       | 91                     | -----                         | 40      | 7         | 5                 | 10                 | 1,053     |
| 1961  | 818       | 94                     | -----                         | 40      | 7         | 5                 | 6                  | 969       |
| 1962  | 778       | 65                     | -----                         | 44      | 6         | 3                 | 10                 | 907       |
| 1963  | 1,189     | 74                     | -----                         | 44      | 6         | 5                 | 15                 | 1,332     |
| 1964  | 1,520     | 92                     | -----                         | 45      | 6         | 6                 | 24                 | 1,692     |
| 1965  | 1,788     | 84                     | -----                         | 60      | 10        | 6                 | 20                 | 1,968     |
| <b>Intra-Alaskan Airlines</b>                 |           |                        |                               |         |           |                   |                    |           |
| 1955  | 3,388     | 1,300                  | -----                         | 45      | 1,849     | 73                | 6,947              | 13,602    |
| 1960  | 4,434     | 1,796                  | -----                         | -----   | 2,422     | 127               | 1,844              | 10,625    |
| 1961  | 4,741     | 2,209                  | -----                         | -----   | 2,829     | 135               | 1,929              | 11,843    |
| 1962  | 4,874     | 2,576                  | -----                         | -----   | 2,620     | 147               | 3,211              | 13,428    |
| 1963  | 4,797     | 2,832                  | -----                         | -----   | 2,640     | 156               | 6,025              | 16,449    |
| 1964  | 5,720     | 3,089                  | -----                         | -----   | 3,176     | 172               | 5,754              | 17,911    |
| 1965  | 6,681     | 3,700                  | -----                         | -----   | 3,616     | 187               | 4,271              | 18,455    |
| <b>All-cargo Airlines<sup>1</sup></b>         |           |                        |                               |         |           |                   |                    |           |
| 1955  | -----     | 282                    | 36                            | -----   | 107,945   | -----             | 38,584             | 146,847   |
| 1960  | -----     | 7,241                  | 2,891                         | 1,050   | 123,369   | -----             | 188,020            | 322,788   |
| 1961  | -----     | 6,832                  | 6,229                         | 758     | 122,050   | -----             | 292,175            | 428,154   |
| 1962  | -----     | 4,616                  | 6,748                         | 431     | 148,353   | -----             | 489,295            | 649,587   |
| 1963  | -----     | 5,167                  | 6,710                         | 769     | 196,466   | -----             | 307,024            | 516,384   |
| 1964  | -----     | 5,752                  | 5,594                         | 1,832   | 239,321   | -----             | 329,537            | 582,211   |
| 1965  | -----     | 7,051                  | 6,196                         | 2,485   | 277,218   | -----             | 440,081            | 733,195   |
| <b>International and Territorial Airlines</b> |           |                        |                               |         |           |                   |                    |           |
| 1955  | 452,430   | 53,390                 | -----                         | 244     | 96,134    | 9,896             | 52,838             | 672,775   |
| 1960  | 831,066   | 82,626                 | 12,233                        | 520     | 191,065   | 13,922            | 78,350             | 1,218,245 |
| 1961  | 877,022   | 93,220                 | 42,492                        | 609     | 216,561   | 13,191            | 110,299            | 1,362,479 |
| 1962  | 1,017,184 | 108,987                | 52,760                        | 798     | 263,931   | 15,125            | 150,848            | 1,619,903 |
| 1963  | 1,187,056 | 115,810                | 54,478                        | 794     | 295,610   | 16,822            | 174,411            | 1,855,950 |
| 1964  | 1,437,259 | 124,768                | 45,413                        | 823     | 393,858   | 16,922            | 198,323            | 2,228,175 |
| 1965  | 1,686,801 | 173,160                | 70,580                        | 907     | 596,418   | 22,091            | 296,470            | 2,856,782 |
| <b>CONSOLIDATED INDUSTRY</b>                  |           |                        |                               |         |           |                   |                    |           |
| 1955  | 2,368,113 | 127,918                | 14,541                        | 51,332  | 382,957   | 29,286            | 105,818            | 3,087,808 |
| 1960  | 3,732,533 | 202,007                | 38,565                        | 59,469  | 643,468   | 43,955            | 295,606            | 5,024,283 |
| 1961  | 3,827,038 | 223,139                | 76,087                        | 61,167  | 732,951   | 41,118            | 423,231            | 5,393,933 |
| 1962  | 4,209,940 | 251,349                | 88,563                        | 69,924  | 898,187   | 41,748            | 668,135            | 6,238,260 |
| 1963  | 4,839,124 | 266,402                | 90,200                        | 70,832  | 1,026,533 | 41,824            | 514,169            | 6,860,302 |
| 1964  | 5,630,345 | 289,913                | 81,396                        | 78,310  | 1,301,487 | 41,137            | 582,369            | 8,015,942 |
| 1965  | 6,629,293 | 372,292                | 110,685                       | 89,859  | 1,730,293 | 42,763            | 909,404            | 9,895,109 |

<sup>1</sup> Includes Domestic and International All-Cargo.

NOTE: In some instances individual figures may not add to totals because of rounding; Foreign Mail ton miles carried by International & Territorial Airlines and by All-Cargo Airlines in international operations are included only in the total ton mile column; Avalon Air Transport figures are included in the Consolidated Industry totals for 1960, 1961, 1962, and 1963.

# OPERATING

## U. S. Scheduled Airline Industry

|                                | Passenger | U. S. Mail |              | Public<br>Service<br>Revenue | Express | Freight | Other <sup>1</sup> | Total     |
|--------------------------------|-----------|------------|--------------|------------------------------|---------|---------|--------------------|-----------|
|                                |           | Priority   | Non-Priority |                              |         |         |                    |           |
| <b>Domestic Trunk Airlines</b> |           |            |              |                              |         |         |                    |           |
| 1955.....                      | 1,021,149 | 26,914     | <sup>2</sup> | 2,852                        | 19,402  | 39,585  | 22,332             | 1,132,234 |
| 1960.....                      | 1,756,439 | 40,420     | 4,353        | .....                        | 21,785  | 74,792  | 44,846             | 1,942,635 |
| 1961.....                      | 1,826,820 | 43,958     | 5,071        | .....                        | 21,446  | 85,289  | 43,782             | 2,026,368 |
| 1962.....                      | 2,020,975 | 49,002     | 5,486        | .....                        | 24,332  | 102,364 | 47,935             | 2,250,094 |
| 1963.....                      | 2,208,430 | 51,247     | 5,471        | 988                          | 25,246  | 116,466 | 44,068             | 2,451,915 |
| 1964.....                      | 2,504,861 | 56,262     | 5,838        | 3,408                        | 27,247  | 140,962 | 52,297             | 2,790,877 |
| 1965 <sup>P</sup> .....        | 2,908,083 | 64,166     | 6,354        | 3,559                        | 29,703  | 174,150 | 77,671             | 3,263,687 |
| <b>Local Service Airlines</b>  |           |            |              |                              |         |         |                    |           |
| 1955.....                      | 33,549    | 1,209      | <sup>2</sup> | 21,263                       | 668     | 575     | 1,300              | 58,564    |
| 1960.....                      | 83,602    | 1,764      | 159          | 54,126                       | 1,353   | 2,108   | 3,369              | 146,481   |
| 1961.....                      | 103,621   | 2,209      | 236          | 62,936                       | 1,684   | 3,090   | 3,280              | 177,056   |
| 1962.....                      | 125,467   | 2,674      | 188          | 67,948                       | 2,061   | 4,076   | 3,685              | 206,099   |
| 1963.....                      | 143,171   | 2,950      | 203          | 67,882                       | 2,508   | 5,031   | 4,229              | 225,975   |
| 1964.....                      | 169,244   | 3,327      | 220          | 66,242                       | 2,781   | 6,698   | 5,679              | 254,192   |
| 1965 <sup>P</sup> .....        | 203,437   | 4,110      | 256          | 65,793                       | 3,193   | 8,762   | 5,631              | 291,183   |
| <b>Intra-Hawaiian Airlines</b> |           |            |              |                              |         |         |                    |           |
| 1955.....                      | 5,686     | 48         | <sup>2</sup> | 291                          | .....   | 753     | 337                | 7,115     |
| 1960.....                      | 11,184    | 65         | 2            | 109                          | .....   | 956     | 2,901              | 15,217    |
| 1961.....                      | 11,642    | 68         | 4            | 697                          | .....   | 984     | 690                | 14,085    |
| 1962.....                      | 11,824    | 72         | 6            | 355                          | .....   | 1,161   | 362                | 13,780    |
| 1963.....                      | 13,129    | 77         | 6            | 716                          | .....   | 1,179   | 393                | 15,499    |
| 1964.....                      | 14,924    | 80         | 8            | 878                          | .....   | 1,410   | 599                | 17,898    |
| 1965 <sup>P</sup> .....        | 17,321    | 86         | 46           | 1,124                        | .....   | 1,377   | 509                | 20,464    |
| <b>Helicopter Airlines</b>     |           |            |              |                              |         |         |                    |           |
| 1955.....                      | 209       | 251        | <sup>2</sup> | 2,711                        | 100     | 23      | 62                 | 3,356     |
| 1960.....                      | 3,088     | 246        | .....        | 4,931                        | 210     | 41      | 85                 | 8,601     |
| 1961.....                      | 2,772     | 253        | .....        | 5,258                        | 189     | 39      | 89                 | 8,603     |
| 1962.....                      | 2,501     | 174        | .....        | 5,518                        | 215     | 39      | 135                | 8,583     |
| 1963.....                      | 3,284     | 193        | .....        | 4,641                        | 217     | 41      | 261                | 8,637     |
| 1964.....                      | 4,814     | 240        | .....        | 4,300                        | 213     | 54      | 554                | 10,174    |
| 1965 <sup>P</sup> .....        | 5,646     | 221        | .....        | 2,886                        | 216     | 85      | 2,261              | 11,313    |
| <b>Intra-Alaskan Airlines</b>  |           |            |              |                              |         |         |                    |           |
| 1955.....                      | 4,102     | 1,875      | .....        | 3,512                        | 80      | 1,097   | 3,278              | 13,944    |
| 1960.....                      | 5,784     | 2,089      | .....        | 4,852                        | .....   | 1,513   | 1,793              | 16,031    |
| 1961.....                      | 6,181     | 2,529      | .....        | 6,352                        | .....   | 1,775   | 2,029              | 18,866    |
| 1962.....                      | 6,326     | 2,873      | .....        | 5,139                        | .....   | 1,691   | 2,705              | 18,735    |
| 1963.....                      | 6,244     | 3,077      | .....        | 5,317                        | .....   | 1,723   | 3,865              | 20,225    |
| 1964.....                      | 7,267     | 3,192      | .....        | 5,590                        | .....   | 2,031   | 3,868              | 21,950    |
| 1965 <sup>P</sup> .....        | 7,870     | 3,687      | .....        | 5,209                        | 260     | 1,886   | 3,077              | 21,989    |

<sup>1</sup> Includes revenues from excess baggage, foreign mail, charter operations, and incidental revenues.

<sup>2</sup> Included with priority mail.

<sup>P</sup> Preliminary

# REVENUES

*In Thousands of Dollars)*

|   | Passenger | U. S. Mail |              | Public Service Revenue | Express | Freight | Other <sup>1</sup> | Total     |
|---|-----------|------------|--------------|------------------------|---------|---------|--------------------|-----------|
|   |           | Priority   | Non-Priority |                        |         |         |                    |           |
| <b>All-Cargo Airlines (Domestic)</b>          |           |            |              |                        |         |         |                    |           |
| 1955.....                                     | -----     | 51         | <sup>2</sup> | -----                  | -----   | 14,570  | 8,604              | 23,225    |
| 1960.....                                     | -----     | 238        | 41           | -----                  | 337     | 15,770  | 32,642             | 49,028    |
| 1961.....                                     | -----     | 154        | 49           | -----                  | 246     | 13,166  | 45,765             | 59,381    |
| 1962.....                                     | -----     | 81         | 25           | -----                  | 120     | 11,662  | 78,813             | 90,702    |
| 1963.....                                     | -----     | 182        | 83           | -----                  | 237     | 15,562  | 51,523             | 67,586    |
| 1964.....                                     | -----     | 358        | 185          | -----                  | 563     | 20,006  | 53,047             | 74,158    |
| 1965 <sup>3</sup> .....                       | -----     | 455        | 223          | -----                  | 686     | 23,960  | 58,963             | 84,286    |
| <b>International and Territorial Airlines</b> |           |            |              |                        |         |         |                    |           |
| 1955.....                                     | 299,587   | 26,095     | -----        | 3,691                  | 90      | 33,213  | 35,677             | 398,353   |
| 1960.....                                     | 527,568   | 40,201     | 3,198        | 4,146                  | 177     | 58,625  | 50,707             | 684,621   |
| 1961.....                                     | 533,158   | 45,362     | 10,457       | 3,709                  | 200     | 63,066  | 66,461             | 722,412   |
| 1962.....                                     | 595,221   | 53,905     | 13,030       | 3,433                  | 235     | 71,017  | 73,603             | 810,446   |
| 1963.....                                     | 692,801   | 57,697     | 13,613       | 2,679                  | 203     | 80,175  | 84,286             | 931,452   |
| 1964.....                                     | 781,649   | 56,943     | 11,527       | 2,851                  | 306     | 99,990  | 86,753             | 1,040,020 |
| 1965 <sup>4</sup> .....                       | 887,356   | 63,169     | 16,989       | 2,019                  | 321     | 130,854 | 109,278            | 1,209,987 |
| <b>All-Cargo Airlines (International)</b>     |           |            |              |                        |         |         |                    |           |
| 1955.....                                     | -----     | 7          | -----        | -----                  | -----   | 4,070   | 2,544              | 6,621     |
| 1960.....                                     | -----     | 4,229      | -----        | -----                  | -----   | 8,964   | 8,123              | 21,317    |
| 1961.....                                     | -----     | 4,018      | 1,046        | -----                  | 1       | 9,388   | 21,838             | 36,291    |
| 1962.....                                     | -----     | 2,380      | 1,786        | -----                  | 4       | 11,747  | 23,767             | 39,683    |
| 1963.....                                     | -----     | 2,486      | 1,710        | -----                  | 9       | 14,472  | 18,870             | 37,548    |
| 1964.....                                     | -----     | 2,344      | 1,273        | -----                  | 4       | 14,506  | 23,907             | 42,032    |
| 1965 <sup>4</sup> .....                       | -----     | 2,366      | 1,377        | -----                  | 3       | 15,995  | 37,746             | 57,487    |
| <b>CONSOLIDATED INDUSTRY</b>                  |           |            |              |                        |         |         |                    |           |
| 1955.....                                     | 1,364,282 | 56,450     | <sup>2</sup> | 34,320                 | 20,340  | 93,886  | 74,134             | 1,643,412 |
| 1960.....                                     | 2,387,937 | 89,259     | 7,753        | 68,164                 | 23,862  | 162,777 | 144,525            | 2,884,277 |
| 1961.....                                     | 2,484,644 | 99,611     | 15,820       | 78,952                 | 23,765  | 176,805 | 183,973            | 3,063,577 |
| 1962.....                                     | 2,762,697 | 111,178    | 20,520       | 82,393                 | 26,968  | 203,765 | 231,210            | 3,438,731 |
| 1963.....                                     | 3,067,193 | 117,916    | 21,086       | 82,222                 | 28,421  | 234,653 | 207,561            | 3,759,051 |
| 1964.....                                     | 3,482,760 | 122,746    | 19,050       | 83,269                 | 31,114  | 285,657 | 226,706            | 4,251,302 |
| 1965 <sup>3 4</sup> .....                     | 4,029,713 | 138,260    | 25,245       | 80,590                 | 34,382  | 357,069 | 295,136            | 4,960,396 |

<sup>3</sup> Includes data for twelve months ended 9/30/65 for Slick Airways.

<sup>4</sup> Includes data for twelve months ended 9/30/65 for Trans Caribbean Airways.

Note: Avalon Air Transport figures are included in the Consolidated Industry totals for 1960, 1961, 1962, and 1963.

# DISTRIBUTION OF

## U. S. Scheduled Airline Industry

|  | Flying<br>Operations | Maintenance | General Services & Administration |                                    |                      |                     | Total<br>G. S. & A.  | Deprecia-<br>tion &<br>Amorti-<br>zation | Total<br>Operating<br>Expenses |
|--|----------------------|-------------|-----------------------------------|------------------------------------|----------------------|---------------------|----------------------|--|--------------------------------|
|  |                      |             | Passenger<br>Service              | Aircraft &<br>Traffic<br>Servicing | Promotion<br>& Sales | Adminis-<br>trative |                      |  |                                |
| <b>Domestic Trunk Lines</b>                |                      |             |                                   |                                    |                      |                     |                      |  |                                |
| 1955.....                                  | 302,757              | 196,166     | -----                             | -----                              | -----                | -----               | 408,999 <sup>1</sup> | 101,693                                  | 1,009,615                      |
| 1960.....                                  | 548,125              | 397,032     | 150,356                           | 305,674                            | 215,093              | 74,360              | 745,483              | 217,145                                  | 1,907,785                      |
| 1961.....                                  | 574,519              | 399,808     | 156,809                           | 328,301                            | 225,553              | 82,374              | 793,037              | 266,569                                  | 2,033,937                      |
| 1962.....                                  | 593,816              | 444,047     | 164,546                           | 362,912                            | 241,895              | 89,255              | 858,608              | 278,694                                  | 2,175,166                      |
| 1963.....                                  | 626,708              | 464,803     | 179,890                           | 394,180                            | 261,691              | 93,187              | 928,949              | 302,221                                  | 2,322,682                      |
| 1964.....                                  | 676,974              | 514,552     | 213,988                           | 425,197                            | 299,629              | 100,945             | 1,039,759            | 262,450                                  | 2,493,735                      |
| 1965 <sup>P</sup> .....                    | 767,249              | 566,708     | 266,288                           | 483,687                            | 349,007              | 117,898             | 1,216,880            | 297,115                                  | 2,847,952                      |
| <b>Local Service Airlines</b>              |                      |             |                                   |                                    |                      |                     |                      |  |                                |
| 1955.....                                  | 18,530               | 10,542      | -----                             | -----                              | -----                | -----               | 26,471 <sup>1</sup>  | 2,298                                    | 57,841                         |
| 1960.....                                  | 42,031               | 30,967      | 7,183                             | 36,492                             | 11,605               | 8,247               | 63,527               | 7,784                                    | 144,309                        |
| 1961.....                                  | 48,664               | 35,987      | 8,388                             | 42,368                             | 13,515               | 9,185               | 73,456               | 9,583                                    | 167,696                        |
| 1962.....                                  | 55,082               | 42,309      | 9,726                             | 48,095                             | 16,298               | 10,611              | 84,730               | 10,604                                   | 192,724                        |
| 1963.....                                  | 60,846               | 47,255      | 10,660                            | 53,143                             | 18,617               | 11,585              | 94,004               | 11,909                                   | 214,015                        |
| 1964.....                                  | 66,787               | 52,735      | 11,739                            | 59,053                             | 20,639               | 13,051              | 104,482              | 12,805                                   | 236,809                        |
| 1965 <sup>P</sup> .....                    | 74,193               | 59,853      | 13,419                            | 66,303                             | 23,472               | 14,852              | 118,046              | 15,053                                   | 267,143                        |
| <b>Intra-Hawaiian Airlines</b>             |                      |             |                                   |                                    |                      |                     |                      |  |                                |
| 1955.....                                  | 1,943                | 1,277       | -----                             | -----                              | -----                | -----               | 3,512 <sup>1</sup>   | 604                                      | 7,336                          |
| 1960.....                                  | 4,266                | 3,273       | 695                               | 2,373                              | 2,059                | 1,391               | 6,518                | 1,411                                    | 15,468                         |
| 1961.....                                  | 3,063                | 2,867       | 392                               | 2,321                              | 2,181                | 1,540               | 6,434                | 1,092                                    | 13,456                         |
| 1962.....                                  | 2,933                | 2,677       | 409                               | 2,430                              | 2,074                | 1,599               | 6,512                | 1,106                                    | 13,229                         |
| 1963.....                                  | 3,219                | 2,923       | 512                               | 2,706                              | 2,337                | 1,866               | 7,420                | 1,129                                    | 14,690                         |
| 1964.....                                  | 3,851                | 3,574       | 576                               | 2,996                              | 2,439                | 1,726               | 7,737                | 1,360                                    | 16,523                         |
| 1965 <sup>P</sup> .....                    | 4,505                | 4,053       | 647                               | 3,313                              | 2,724                | 1,809               | 8,493                | 1,540                                    | 18,590                         |
| <b>Helicopter Airlines <sup>1</sup></b>    |                      |             |                                   |                                    |                      |                     |                      |  |                                |
| 1955.....                                  | 614                  | 870         | -----                             | -----                              | -----                | -----               | 1,021                | 450                                      | 2,955                          |
| 1960.....                                  | 1,934                | 2,546       | -----                             | -----                              | -----                | -----               | 2,710                | 1,192                                    | 8,382                          |
| 1961.....                                  | 1,946                | 2,633       | -----                             | -----                              | -----                | -----               | 3,086                | 1,143                                    | 8,807                          |
| 1962.....                                  | 1,791                | 2,454       | -----                             | -----                              | -----                | -----               | 3,378                | 1,212                                    | 8,835                          |
| 1963.....                                  | 1,744                | 2,789       | -----                             | -----                              | -----                | -----               | 3,305                | 1,000                                    | 8,839                          |
| 1964.....                                  | 1,941                | 3,541       | -----                             | -----                              | -----                | -----               | 3,817                | 997                                      | 10,295                         |
| 1965 <sup>P</sup> .....                    | 2,247                | 3,754       | -----                             | -----                              | -----                | -----               | 4,347                | 996                                      | 11,344                         |
| <b>Intra-Alaskan Airlines <sup>1</sup></b> |                      |             |                                   |                                    |                      |                     |                      |  |                                |
| 1955.....                                  | 3,900                | 3,652       | -----                             | -----                              | -----                | -----               | 5,221                | 641                                      | 13,414                         |
| 1960.....                                  | 4,369                | 4,309       | -----                             | -----                              | -----                | -----               | 5,328                | 1,049                                    | 15,055                         |
| 1961.....                                  | 4,847                | 4,461       | -----                             | -----                              | -----                | -----               | 5,901                | 1,003                                    | 16,213                         |
| 1962.....                                  | 5,334                | 4,811       | -----                             | -----                              | -----                | -----               | 6,191                | 1,084                                    | 17,421                         |
| 1963.....                                  | 6,112                | 5,274       | -----                             | -----                              | -----                | -----               | 6,746                | 1,220                                    | 19,353                         |
| 1964.....                                  | 6,293                | 5,688       | -----                             | -----                              | -----                | -----               | 7,138                | 1,190                                    | 20,310                         |
| 1965 <sup>P</sup> .....                    | 5,763                | 5,892       | -----                             | -----                              | -----                | -----               | 7,515                | 1,384                                    | 20,555                         |

<sup>P</sup> Preliminary.

<sup>1</sup> Detailed General Services & Administration expense data not available.

# OPERATING EXPENSES

In Thousands of Dollars)

|   | Flying<br>Operations | Maintenance | General Services & Administration |                                    |                      |                     | Total<br>G. S. & A.  | Deprecia-<br>tion &<br>Amorti-<br>zation | Total<br>Operating<br>Expenses |
|---|----------------------|-------------|-----------------------------------|------------------------------------|----------------------|---------------------|----------------------|--|--------------------------------|
|   |                      |             | Passenger<br>Service              | Aircraft &<br>Traffic<br>Servicing | Promotion<br>& Sales | Adminis-<br>trative |                      |  |                                |
| <b>All-Cargo Airlines (Domestic)</b>                      |                      |             |                                   |                                    |                      |                     |                      |  |                                |
| 1955.....   | 9,111                | 4,999       | -----                             | -----                              | -----                | -----               | 7,329 <sup>1</sup>   | 1,767                                    | 23,206                         |
| 1960.....   | 20,349               | 11,442      | 1,165                             | 5,380                              | 1,874                | 3,028               | 11,879               | 5,933                                    | 49,603                         |
| 1961.....   | 23,117               | 12,395      | 1,444                             | 6,777                              | 2,099                | 3,189               | 14,048               | 8,647                                    | 58,206                         |
| 1962.....   | 31,061               | 20,849      | 1,847                             | 8,411                              | 2,169                | 4,032               | 16,461               | 12,029                                   | 80,401                         |
| 1963.....   | 23,112               | 16,518      | 1,744                             | 8,478                              | 2,342                | 3,784               | 16,348               | 10,330                                   | 66,308                         |
| 1964.....   | 24,237               | 16,476      | 2,921                             | 11,070                             | 3,245                | 3,724               | 20,960               | 9,165                                    | 70,838                         |
| 1965 <sup>P 3</sup> .....                                 | 25,340               | 19,852      | 1,392                             | 12,814                             | 3,316                | 3,865               | 21,387               | 8,772                                    | 75,352                         |
| <b>International and Territorial Airlines<sup>2</sup></b> |                      |             |                                   |                                    |                      |                     |                      |  |                                |
| 1955.....   | 114,767              | 62,387      | -----                             | -----                              | -----                | -----               | 171,128 <sup>1</sup> | 32,192                                   | 380,474                        |
| 1960.....   | 179,707              | 101,516     | 47,737                            | 98,216                             | 101,778              | 28,912              | 280,056              | 78,049                                   | 639,328                        |
| 1961.....   | 186,561              | 109,490     | 52,219                            | 103,275                            | 107,327              | 31,818              | 298,147              | 104,111                                  | 698,311                        |
| 1962.....   | 193,422              | 113,602     | 56,045                            | 111,892                            | 116,745              | 36,752              | 325,472              | 91,356                                   | 723,853                        |
| 1963.....   | 216,834              | 117,729     | 68,904                            | 122,803                            | 133,299              | 40,172              | 369,389              | 95,510                                   | 799,462                        |
| 1964.....   | 238,427              | 145,186     | 78,371                            | 142,773                            | 151,550              | 46,147              | 424,423              | 88,389                                   | 896,425                        |
| 1965 <sup>P 4</sup> .....                                 | 262,635              | 145,888     | 97,980                            | 162,597                            | 170,343              | 53,942              | 491,218              | 100,173                                  | 999,915                        |
| <b>All-Cargo Airlines (International)</b>                 |                      |             |                                   |                                    |                      |                     |                      |  |                                |
| 1955.....   | 2,936                | 973         | -----                             | -----                              | -----                | -----               | 1,595 <sup>1</sup>   | 443                                      | 5,947                          |
| 1960.....   | 11,256               | 5,998       | 534                               | 3,968                              | 1,292                | 1,697               | 7,491                | 1,587                                    | 26,332                         |
| 1961.....   | 15,464               | 8,489       | 1,417                             | 4,819                              | 1,579                | 2,034               | 9,849                | 4,091                                    | 37,890                         |
| 1962.....   | 12,700               | 8,413       | 1,749                             | 5,001                              | 1,615                | 2,367               | 10,732               | 4,699                                    | 36,543                         |
| 1963.....   | 10,775               | 7,650       | 1,476                             | 4,777                              | 1,693                | 2,261               | 10,206               | 5,043                                    | 33,674                         |
| 1964.....   | 11,384               | 7,613       | 1,794                             | 5,239                              | 1,700                | 2,887               | 11,621               | 5,173                                    | 35,790                         |
| 1965 <sup>P</sup> .....                                   | 16,887               | 11,294      | 2,039                             | 7,071                              | 2,054                | 2,349               | 13,513               | 5,386                                    | 47,080                         |
| <b>CONSOLIDATED INDUSTRY<sup>2</sup></b>                  |                      |             |                                   |                                    |                      |                     |                      |  |                                |
| 1955.....   | 454,558              | 280,866     | -----                             | -----                              | -----                | -----               | 625,276 <sup>1</sup> | 140,088                                  | 1,500,788                      |
| 1960.....   | 812,152              | 557,180     | 207,670                           | 452,103                            | 333,701              | 117,635             | 1,123,161            | 314,193                                  | 2,806,686                      |
| 1961.....   | 858,330              | 576,245     | 220,669                           | 487,861                            | 352,254              | 130,140             | 1,204,229            | 396,303                                  | 3,035,115                      |
| 1962.....   | 896,319              | 639,273     | 234,323                           | 538,741                            | 380,796              | 144,616             | 1,312,310            | 400,829                                  | 3,248,732                      |
| 1963.....   | 949,417              | 665,006     | 263,185                           | 586,086                            | 419,978              | 152,855             | 1,436,462            | 428,379                                  | 3,479,264                      |
| 1964.....   | 1,029,893            | 749,368     | 309,389                           | 646,328                            | 479,203              | 168,480             | 1,619,937            | 381,528                                  | 3,780,726                      |
| 1965 <sup>P 3 4</sup> .....                               | 1,158,819            | 817,294     | 381,765                           | 735,785                            | 550,916              | 194,715             | 1,881,399            | 430,419                                  | 4,287,931                      |

<sup>2</sup> The total of General Services and Administration expense is greater than the sum of the detail accounts since some airlines report total expense only.

<sup>4</sup> Includes data for twelve months ended 9/30/65 for Trans Caribbean Airways.

<sup>3</sup> Includes data for twelve months ended 9/30/65 for Slick Airways.

Note: Avalon Air Transport figures are included in the Consolidated Industry totals for 1960, 1961, 1962 and 1963.

# SUMMARY OF

## U. S. Scheduled Airline Industry

|                                | Total<br>Operating<br>Revenues | Total<br>Operating<br>Expenses | Net<br>Operating<br>Income | Interest on<br>Long-Term<br>Debt | Other<br>Non-<br>Operating<br>Income<br>(Net) | Income<br>Taxes | Net<br>Profit<br>or Loss <sup>1</sup> | Rate of<br>Return on<br>Invest-<br>ment <sup>2</sup><br>(%) | Profit<br>Margin<br>on<br>Sales <sup>3</sup><br>(%) |
|--------------------------------|--------------------------------|--------------------------------|----------------------------|----------------------------------|---|-----------------|---------------------------------------|---|---|
| <b>Domestic Trunk Airlines</b> |                                |                                |                            |                                  |   |                 |                                       |   |   |
| 1955.....                      | 1,132,234                      | 1,009,615                      | 122,619                    | 6,912                            | 17,378  | 70,023          | 62,984                                | 11.9  | 5.6   |
| 1960.....                      | 1,942,635                      | 1,907,785                      | 34,850                     | 43,950                           | 31,791  | 18,212          | 68                                    | 2.8   | ---   |
| 1961.....                      | 2,026,368                      | 2,033,937                      | -7,569                     | 61,569                           | 20,528  | -12,038         | -34,567                               | 1.5   | ---   |
| 1962.....                      | 2,250,094                      | 2,175,166                      | 74,928                     | 72,364                           | 26,812  | 22,360          | 8,196                                 | 4.1   | 0.4   |
| 1963.....                      | 2,451,915                      | 2,322,682                      | 129,233                    | 70,103                           | 16,857  | 59,640          | 13,117                                | 4.3   | 0.5   |
| 1964.....                      | 2,790,877                      | 2,493,735                      | 297,141                    | 69,260                           | 17,336  | 110,250         | 134,362                               | 10.0  | 4.8   |
| 1965 <sup>P</sup> .....        | 3,263,687                      | 2,847,952                      | 415,735                    | 72,364                           | 25,831  | 147,939         | 221,262                               | 11.1  | 6.8   |
| <b>Local Service Airlines</b>  |                                |                                |                            |                                  |   |                 |                                       |   |   |
| 1955.....                      | 58,564                         | 57,841                         | 723                        | 247                              | 400   | 483             | 828                                   | 7.5   | 1.4   |
| 1960.....                      | 146,481                        | 144,309                        | 2,172                      | 2,872                            | 713   | 294             | 1,940                                 | 9.1   | 1.3   |
| 1961.....                      | 177,056                        | 167,696                        | 9,359                      | 3,274                            | 703   | 3,147           | 4,862                                 | 11.8  | 2.7   |
| 1962.....                      | 206,099                        | 192,724                        | 13,374                     | 3,748                            | 1,475   | 5,263           | 5,962                                 | 11.7  | 2.9   |
| 1963.....                      | 225,975                        | 214,015                        | 11,959                     | 3,905                            | 964   | 4,374           | 4,872                                 | 9.4   | 2.2   |
| 1964.....                      | 254,192                        | 236,809                        | 17,382                     | 4,160                            | 778   | 5,760           | 7,689                                 | 10.5  | 3.0   |
| 1965 <sup>P</sup> .....        | 291,183                        | 267,143                        | 24,040                     | 4,839                            | 1,472   | 8,568           | 12,078                                | 10.0  | 4.1   |
| <b>Intra-Hawaiian Airlines</b> |                                |                                |                            |                                  |   |                 |                                       |   |   |
| 1955.....                      | 7,115                          | 7,336                          | -221                       | 109                              | 213   | 8               | -428                                  | -9.8  | ---   |
| 1960.....                      | 15,217                         | 15,468                         | -251                       | 494                              | 228   | ---             | -512                                  | -0.2  | ---   |
| 1961.....                      | 14,085                         | 13,456                         | 629                        | 516                              | -99   | ---             | 133                                   | 6.5   | 0.9   |
| 1962.....                      | 13,780                         | 13,229                         | 551                        | 445                              | -65   | 28              | -50                                   | 4.3   | ---   |
| 1963.....                      | 15,499                         | 14,690                         | 809                        | 485                              | -402  | ---             | -213                                  | 3.2   | ---   |
| 1964.....                      | 17,898                         | 16,523                         | 1,375                      | 417                              | 89  | 139             | 868                                   | 14.6  | 4.8   |
| 1965 <sup>P</sup> .....        | 20,464                         | 18,590                         | 1,874                      | 493                              | 184   | 677             | 888                                   | 10.4  | 4.3   |
| <b>Helicopter Airlines</b>     |                                |                                |                            |                                  |   |                 |                                       |   |   |
| 1955.....                      | 3,356                          | 2,955                          | 401                        | 11                               | 154   | 203             | 341                                   | 10.1  | 10.2  |
| 1960.....                      | 8,601                          | 8,382                          | 219                        | 59                               | 51  | 92              | 150                                   | 4.0   | 1.7   |
| 1961.....                      | 8,603                          | 8,807                          | -205                       | 32                               | 50  | -78             | -46                                   | 0.1   | ---   |
| 1962.....                      | 8,583                          | 8,835                          | -252                       | 233                              | 129   | -223            | 89                                    | 4.0   | 1.0   |
| 1963.....                      | 8,637                          | 8,839                          | -202                       | 303                              | 245   | -107            | -197                                  | 1.6   | ---   |
| 1964.....                      | 10,174                         | 10,295                         | -121                       | 318                              | 598   | 103             | -91                                   | 1.3   | ---   |
| 1965 <sup>P</sup> .....        | 11,313                         | 11,344                         | -31                        | 363                              | 194   | 298             | -377                                  | -1.2  | ---   |
| <b>Intra-Alaskan Airlines</b>  |                                |                                |                            |                                  |   |                 |                                       |   |   |
| 1955.....                      | 13,944                         | 13,414                         | 530                        | 77                               | 124   | 550             | -5                                    | 1.7   | ---   |
| 1960.....                      | 16,031                         | 15,055                         | 976                        | 318                              | -16   | 196             | 430                                   | 9.3   | 2.7   |
| 1961.....                      | 18,866                         | 16,213                         | 2,652                      | 295                              | 35  | 1,408           | 922                                   | 14.5  | 4.9   |
| 1962.....                      | 18,735                         | 17,421                         | 1,314                      | 288                              | 46  | 573             | 514                                   | 8.9   | 2.7   |
| 1963.....                      | 20,225                         | 19,353                         | 872                        | 290                              | 88  | 457             | 221                                   | 5.6   | 1.1   |
| 1964.....                      | 21,950                         | 20,310                         | 1,640                      | 260                              | 76  | 612             | 1,171                                 | 15.6  | 5.3   |
| 1965 <sup>P</sup> .....        | 21,989                         | 20,555                         | 1,434                      | 290                              | 110   | 710             | 550                                   | 6.8   | 2.5   |

<sup>P</sup> Preliminary.

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

<sup>2</sup> Net income before interest and after taxes as per cent of net worth and long-term debt. 1965 rate of return reflects those tax reductions which result from the investment credit which, by statute, are to be excluded by the CAB in its official method of calculating the rate of return.

# PROFIT OR LOSS

(In Thousands of Dollars)

|   | Total<br>Operating<br>Revenues | Total<br>Operating<br>Expenses | Net<br>Operating<br>Income | Interest on<br>Long-Term<br>Debt | Other<br>Non-<br>Operating<br>Income<br>(Net) | Income<br>Taxes | Net<br>Profit<br>or Loss <sup>1</sup> | Rate of<br>Return on<br>Investment <sup>2</sup><br>(%) | Profit<br>Margin<br>on<br>Sales <sup>3</sup><br>(%) |
|---|--------------------------------|--------------------------------|----------------------------|----------------------------------|---|-----------------|---------------------------------------|--|---|
| <b>All-Cargo Airlines (Domestic)</b>          |                                |                                |                            |                                  |   |                 |                                       |  |   |
| 1955.....                                     | 23,225                         | 23,206                         | 19                         | 511                              | 998   | -147            | 706                                   | 7.3  | 3.0   |
| 1960.....                                     | 49,028                         | 49,603                         | -575                       | 1,240                            | 730   | 187             | -1,128                                | 0.2  | ---   |
| 1961.....                                     | 59,381                         | 58,206                         | 1,174                      | 2,365                            | -2,911  | 311             | -4,578                                | -3.2   | ---   |
| 1962.....                                     | 90,702                         | 80,401                         | 10,301                     | 4,775                            | 2,897   | 4,108           | 4,355                                 | 10.4   | 4.8   |
| 1963.....                                     | 67,586                         | 66,308                         | 1,279                      | 4,302                            | 2,786   | -545            | -1,290                                | 3.4  | ---   |
| 1964.....                                     | 74,158                         | 70,838                         | 3,319                      | 3,824                            | 1,963   | 636             | -1                                    | 4.8  | ---   |
| 1965 <sup>4</sup> .....                       | 84,286                         | 75,352                         | 8,934                      | 3,473                            | 261   | 3,220           | 2,502                                 | 6.4  | 3.0   |
| <b>International and Territorial Airlines</b> |                                |                                |                            |                                  |   |                 |                                       |  |   |
| 1955.....                                     | 398,353                        | 380,474                        | 17,879                     | 2,699                            | 9,092   | 10,101          | 11,543                                | 6.0  | 2.9   |
| 1960.....                                     | 684,621                        | 639,328                        | 45,293                     | 16,715                           | 6,424   | 18,818          | 16,216                                | 5.3  | 2.4   |
| 1961.....                                     | 722,412                        | 698,311                        | 24,102                     | 24,275                           | 4,869   | 5,691           | -2,169                                | 3.1  | ---   |
| 1962.....                                     | 810,446                        | 723,853                        | 86,593                     | 26,337                           | 4,893   | 32,885          | 33,073                                | 8.7  | 4.1   |
| 1963.....                                     | 931,452                        | 799,462                        | 131,991                    | 24,234                           | 6,247   | 50,287          | 63,012                                | 13.1   | 6.8   |
| 1964.....                                     | 1,040,020                      | 896,425                        | 145,396                    | 22,980                           | 11,475  | 55,683          | 78,086                                | 13.8   | 7.5   |
| 1965 <sup>5</sup> .....                       | 1,209,987                      | 999,915                        | 210,072                    | 25,490                           | 7,354   | 74,896          | 122,405                               | 14.3   | 10.1  |
| <b>All-Cargo Airlines (International)</b>     |                                |                                |                            |                                  |   |                 |                                       |  |   |
| 1955.....                                     | 6,621                          | 5,947                          | 674                        | 95                               | 178   | 227             | 488                                   | 25.8   | ---   |
| 1960.....                                     | 21,317                         | 26,332                         | -5,015                     | 583                              | 176   | -5              | -7,945                                | -71.9  | ---   |
| 1961.....                                     | 36,291                         | 37,890                         | -1,599                     | 1,628                            | -8  | ---             | -2,240                                | -2.1   | ---   |
| 1962.....                                     | 39,683                         | 36,543                         | 3,139                      | 2,841                            | -356  | ---             | 118                                   | 7.7  | 0.3   |
| 1963.....                                     | 37,548                         | 33,674                         | 3,874                      | 2,874                            | -299  | ---             | -1,072                                | 4.6  | ---   |
| 1964.....                                     | 42,032                         | 35,790                         | 6,242                      | 3,039                            | -2,135  | ---             | 2,462                                 | 12.9   | 5.9   |
| 1965 <sup>5</sup> .....                       | 57,487                         | 47,080                         | 10,407                     | 2,778                            | 74  | ---             | 7,555                                 | 20.0   | 13.1  |
| <b>CONSOLIDATED INDUSTRY</b>                  |                                |                                |                            |                                  |   |                 |                                       |  |   |
| 1955.....                                     | 1,643,412                      | 1,500,788                      | 142,624                    | 10,661                           | 28,537  | 81,448          | 76,457                                | 10.0   | 4.7   |
| 1960.....                                     | 2,884,277                      | 2,806,686                      | 77,591                     | 66,232                           | 40,097  | 37,794          | 9,140                                 | 3.2  | 0.3   |
| 1961.....                                     | 3,063,577                      | 3,035,115                      | 28,459                     | 93,959                           | 23,167  | -1,573          | -37,758                               | 2.1  | ---   |
| 1962.....                                     | 3,438,731                      | 3,248,732                      | 189,999                    | 111,036                          | 35,829  | 64,994          | 52,302                                | 5.7  | 1.5   |
| 1963.....                                     | 3,759,051                      | 3,479,264                      | 279,787                    | 106,497                          | 26,486  | 114,105         | 78,480                                | 6.5  | 2.1   |
| 1964.....                                     | 4,251,302                      | 3,780,726                      | 470,576                    | 104,258                          | 30,180  | 173,184         | 224,440                               | 10.8   | 5.3   |
| 1965 <sup>4</sup> <sup>5</sup> .....          | 4,960,396                      | 4,287,931                      | 672,465                    | 110,090                          | 35,480  | 236,308         | 366,863                               | 11.8   | 7.4   |

<sup>3</sup> Profit as per cent of revenues.

<sup>4</sup> Includes data for twelve months ended 9/30/65 for Slick Airways.

<sup>5</sup> Includes data for twelve months ended 9/30/65 for Trans Caribbean Airways.

Note: Avalon Air Transport figures are included in the Consolidated Industry totals for 1960, 1961, 1962, and 1963.



# ASSETS, LIABILITIES AND

U. S. Scheduled Airline Industry

|   | 1955      | 1960      | 1961       | 1962       | 1963       | 1964       | (Sept. 30)<br>1965 |
|---|-----------|-----------|------------|------------|------------|------------|--------------------|
| <b>Domestic Trunk Airlines <sup>1</sup></b>     |           |           |            |            |            |            |                    |
| <i>Assets</i>                                   |           |           |            |            |            |            |                    |
| Current Assets.....                             | 436,608   | 681,196   | 694,186    | 810,571    | 873,744    | 882,865    | 1,072,384          |
| Investments and Special Funds.....              | 47,406    | 130,063   | 139,299    | 110,957    | 178,514    | 175,080    | 278,510            |
| Flight Equipment.....                           | 890,095   | 2,327,772 | 2,759,623  | 3,021,445  | 3,050,528  | 3,477,577  | 3,784,043          |
| Reserve for Depreciation and Airworthiness..... | -486,289  | -926,748  | -1,083,326 | -1,221,806 | -1,339,416 | -1,399,064 | -1,477,775         |
| Ground Property and Equipment.....              | 154,104   | 318,308   | 351,737    | 371,058    | 391,175    | 425,971    | 462,254            |
| Reserve for Depreciation.....                   | -77,622   | -153,437  | -175,025   | -187,769   | -208,125   | -231,432   | -245,022           |
| Other Property.....                             | 28,402    | 104,311   | 63,709     | 27,317     | 59,061     | 50,547     | 54,435             |
| Deferred Charges.....                           | 10,634    | 67,632    | 69,762     | 58,952     | 33,227     | 38,895     | 39,038             |
| Total Assets.....                               | 1,003,338 | 2,549,097 | 2,819,953  | 2,990,724  | 3,038,708  | 3,420,257  | 3,967,867          |
| <i>Liabilities and Equity</i>                   |           |           |            |            |            |            |                    |
| Current Liabilities.....                        | 277,037   | 499,245   | 523,565    | 592,202    | 657,477    | 686,810    | 781,521            |
| Long-Term Debt.....                             | 198,915   | 1,069,651 | 1,408,938  | 1,449,941  | 1,330,922  | 1,436,105  | 1,526,374          |
| Other Non-Current Liabilities.....              | 401       | 103,438   | 22,263     | 27,552     | 15,932     | 6,074      | 15,912             |
| Deferred Credits.....                           | 22,847    | 137,751   | 148,173    | 190,154    | 239,773    | 321,470    | 363,806            |
| Stockholders' Equity—Net of Treasury Stock..... | 504,138   | 739,012   | 717,075    | 730,875    | 794,604    | 969,799    | 1,280,254          |
| Preferred Stock.....                            | 29,788    | 18,864    | 34,162     | 33,552     | 20,672     | 17,433     | 18,294             |
| Common Stock.....                               | 80,172    | 119,911   | 128,124    | 133,085    | 151,926    | 163,033    | 178,225            |
| Other Paid-In Capital.....                      | 141,839   | 278,465   | 292,126    | 303,713    | 353,189    | 385,104    | 483,564            |
| Retained Earnings.....                          | 252,340   | 322,391   | 263,276    | 261,668    | 270,426    | 405,513    | 601,262            |
| Less: Treasury Stock.....                       | 1         | 619       | 613        | 1,143      | 1,608      | 1,284      | 1,091              |
| Total Liabilities and Equity.....               | 1,003,338 | 2,549,097 | 2,819,953  | 2,990,724  | 3,038,708  | 3,420,257  | 3,967,867          |
| <b>Local Service Airlines</b>                   |           |           |            |            |            |            |                    |
| <i>Assets</i>                                   |           |           |            |            |            |            |                    |
| Current Assets.....                             | 13,267    | 38,131    | 44,257     | 49,502     | 55,115     | 66,051     | 74,112             |
| Investments and Special Funds.....              | 950       | 2,487     | 2,428      | 4,076      | 10,202     | 12,913     | 21,528             |
| Flight Equipment.....                           | 21,195    | 82,394    | 95,492     | 107,589    | 121,013    | 135,604    | 162,358            |
| Reserve for Depreciation and Airworthiness..... | -11,742   | -29,867   | -36,484    | -39,668    | -46,265    | -50,032    | -57,091            |
| Ground Property and Equipment.....              | 5,085     | 11,472    | 13,688     | 15,724     | 17,664     | 19,707     | 21,815             |
| Reserve for Depreciation.....                   | -2,523    | -5,779    | -6,878     | -8,241     | -9,632     | -11,144    | -12,182            |
| Other Property.....                             | 685       | 1,147     | 4,730      | 4,295      | 2,576      | 2,595      | 8,664              |
| Deferred Charges.....                           | 978       | 4,514     | 5,415      | 4,987      | 5,302      | 5,592      | 5,766              |
| Total Assets.....                               | 27,895    | 104,499   | 122,647    | 138,264    | 155,973    | 181,286    | 224,971            |
| <i>Liabilities and Equity</i>                   |           |           |            |            |            |            |                    |
| Current Liabilities.....                        | 12,477    | 43,031    | 44,199     | 49,115     | 51,047     | 51,632     | 61,439             |
| Long-Term Debt.....                             | 4,011     | 43,781    | 50,067     | 52,625     | 61,539     | 69,730     | 90,141             |
| Other Non-Current Liabilities.....              | 1         | 159       | 58         | 142        | 479        | 507        | 96                 |
| Deferred Credits.....                           | 19        | 441       | 618        | 1,301      | 2,555      | 3,170      | 3,592              |
| Stockholders' Equity—Net of Treasury Stock..... | 11,387    | 17,087    | 27,704     | 35,082     | 40,354     | 56,246     | 69,702             |
| Preferred Stock.....                            | 299       | 163       | 2,665      | 2,323      | 2,100      | 1,887      | 1,033              |
| Common Stock.....                               | 6,558     | 8,434     | 10,598     | 11,172     | 12,750     | 15,091     | 16,650             |
| Other Paid-In Capital.....                      | 4,325     | 7,474     | 9,254      | 10,877     | 10,817     | 17,676     | 22,747             |
| Retained Earnings.....                          | 306       | 1,089     | 5,263      | 10,819     | 14,796     | 21,685     | 29,365             |
| Less: Treasury Stock.....                       | 101       | 73        | 73         | 109        | 109        | 92         | 92                 |
| Total Liabilities and Equity.....               | 27,895    | 104,499   | 122,647    | 138,264    | 155,973    | 181,286    | 224,971            |

<sup>1</sup> Balance sheet data for Domestic Trunk Airlines includes their international as well as domestic operations.

# STOCKHOLDERS' EQUITY

(In Thousands of Dollars)

|   | 1955   | 1960   | 1961   | 1962   | 1963   | 1964   | (Sept. 30)<br>1965 |
|---|--------|--------|--------|--------|--------|--------|--------------------|
| <b>Intra-Hawaiian Airlines</b>                  |        |        |        |        |        |        |                    |
| <i>Assets</i>                                   |        |        |        |        |        |        |                    |
| Current Assets.....                             | 1,068  | 4,309  | 3,680  | 3,463  | 3,151  | 3,405  | 6,288              |
| Investments and Special Funds.....              | 19     | 56     | 9      | 12     | 27     | 319    | 1,990              |
| Flight Equipment.....                           | 5,744  | 12,980 | 12,047 | 12,242 | 13,483 | 14,101 | 14,190             |
| Reserve for Depreciation and Airworthiness..... | -2,859 | -4,261 | -4,679 | -5,995 | -6,703 | -7,054 | -7,168             |
| Ground Property and Equipment.....              | 1,177  | 2,231  | 2,553  | 2,587  | 2,886  | 3,314  | 3,424              |
| Reserve for Depreciation.....                   | -749   | -1,273 | -1,354 | -1,226 | -1,374 | -1,530 | -1,644             |
| Other Property.....                             | 41     | 96     | 269    | 229    | 491    | 229    | 279                |
| Deferred Charges.....                           | 180    | 1,086  | 1,145  | 1,060  | 726    | 345    | 599                |
| Total Assets.....                               | 4,621  | 15,224 | 13,667 | 12,371 | 12,686 | 13,328 | 17,958             |
| <i>Liabilities and Equity</i>                   |        |        |        |        |        |        |                    |
| Current Liabilities.....                        | 1,329  | 4,709  | 3,719  | 3,579  | 3,847  | 3,877  | 4,750              |
| Long-Term Debt.....                             | 1,835  | 7,393  | 6,658  | 5,555  | 5,754  | 5,156  | 7,776              |
| Other Non-Current Liabilities.....              | -----  | -----  | -----  | -----  | 18     | 113    | 118                |
| Deferred Credits.....                           | 1      | 41     | 74     | 71     | 34     | 87     | 158                |
| Stockholders' Equity—Net of Treasury Stock..... | 1,456  | 3,081  | 3,217  | 3,167  | 3,033  | 4,096  | 5,157              |
| Preferred Stock.....                            | -----  | 1,613  | 1,570  | 1,555  | 1,458  | 1,211  | 611                |
| Common Stock.....                               | 1,981  | 1,317  | 1,361  | 1,376  | 1,546  | 1,921  | 2,655              |
| Other Paid-In Capital.....                      | 832    | 1,792  | 1,793  | 1,793  | 1,799  | 1,866  | 1,851              |
| Retained Earnings.....                          | -1,357 | -1,641 | -1,507 | -1,557 | -1,770 | -902   | 41                 |
| Less: Treasury Stock.....                       | -----  | -----  | -----  | -----  | -----  | -----  | -----              |
| Total Liabilities and Equity.....               | 4,621  | 15,224 | 13,667 | 12,371 | 12,686 | 13,328 | 17,958             |
| <b>Helicopter Airlines</b>                      |        |        |        |        |        |        |                    |
| <i>Assets</i>                                   |        |        |        |        |        |        |                    |
| Current Assets.....                             | 2,385  | 3,236  | 3,098  | 3,620  | 3,264  | 4,401  | 6,711              |
| Investments and Special Funds.....              | 321    | 471    | 588    | 214    | 199    | 598    | 272                |
| Flight Equipment.....                           | 2,508  | 5,612  | 5,347  | 10,018 | 9,760  | 9,608  | 10,151             |
| Reserve for Depreciation and Airworthiness..... | -1,344 | -3,021 | -3,488 | -2,933 | -2,959 | -3,385 | -3,820             |
| Ground Property and Equipment.....              | 312    | 986    | 1,107  | 1,349  | 1,556  | 1,783  | 1,887              |
| Reserve for Depreciation.....                   | -137   | -588   | -665   | -765   | -895   | -1,026 | -1,134             |
| Other Property.....                             | 14     | 50     | 1,387  | 113    | 152    | 126    | 109                |
| Deferred Charges.....                           | 163    | 580    | 730    | 859    | 785    | 884    | 1,056              |
| Total Assets.....                               | 4,222  | 7,326  | 8,103  | 12,475 | 11,861 | 12,988 | 15,231             |
| <i>Liabilities and Equity</i>                   |        |        |        |        |        |        |                    |
| Current Liabilities.....                        | 592    | 1,762  | 2,303  | 2,207  | 2,579  | 3,008  | 3,635              |
| Long-Term Debt.....                             | 87     | 300    | 492    | 4,923  | 3,944  | 4,508  | 5,415              |
| Other Non-Current Liabilities.....              | -----  | 55     | 38     | 31     | 21     | 6      | 5                  |
| Deferred Credits.....                           | 25     | 199    | 308    | 235    | 232    | 226    | 285                |
| Stockholders' Equity—Net of Treasury Stock..... | 3,518  | 5,010  | 4,963  | 5,078  | 5,086  | 5,240  | 5,892              |
| Preferred Stock.....                            | -----  | -----  | -----  | -----  | 1,043  | 1,456  | -----              |
| Common Stock.....                               | 677    | 957    | 957    | 964    | 982    | 994    | 2,937              |
| Other Paid-In Capital.....                      | 2,201  | 2,672  | 2,673  | 2,692  | 2,647  | 2,573  | 2,724              |
| Retained Earnings.....                          | 640    | 1,381  | 1,331  | 1,423  | 414    | 217    | 231                |
| Less: Treasury Stock.....                       | -----  | -----  | -----  | -----  | -----  | -----  | -----              |
| Total Liabilities and Equity.....               | 4,222  | 7,326  | 8,103  | 12,475 | 11,861 | 12,988 | 15,231             |

# ASSETS, LIABILITIES AND

U. S. Scheduled Airline Industry

|   | 1955           | 1960           | 1961           | 1962           | 1963           | 1964           | (Sept. 30)<br>1965 |
|---|----------------|----------------|----------------|----------------|----------------|----------------|--------------------|
| <b>International and Territorial Airlines</b>   |                |                |                |                |                |                |                    |
| <i>Assets</i>                                   |                |                |                |                |                |                |                    |
| Current Assets.....                             | 112,678        | 179,258        | 201,285        | 209,998        | 203,893        | 186,731        | 232,734            |
| Investments and Special Funds.....              | 33,911         | 48,752         | 64,220         | 66,031         | 83,389         | 104,371        | 105,540            |
| Flight Equipment.....                           | 221,559        | 596,836        | 548,936        | 593,676        | 602,852        | 701,856        | 742,708            |
| Reserve for Depreciation and Airworthiness..... | -105,831       | -215,519       | -206,783       | -242,101       | -271,755       | -284,887       | -268,358           |
| Ground Property and Equipment.....              | 31,220         | 54,502         | 58,925         | 62,553         | 65,927         | 94,355         | 100,060            |
| Reserve for Depreciation.....                   | -19,189        | -28,475        | -32,075        | -35,443        | -38,682        | -42,317        | -47,308            |
| Other Property.....                             | 2,815          | 5,317          | 6,214          | 3,603          | 4,566          | 6,103          | 14,920             |
| Deferred Charges.....                           | 4,533          | 31,117         | 36,554         | 31,459         | 31,098         | 31,354         | 29,472             |
| Total Assets.....                               | <b>281,696</b> | <b>671,788</b> | <b>677,274</b> | <b>689,776</b> | <b>681,289</b> | <b>797,565</b> | <b>909,766</b>     |
| <i>Liabilities and Equity</i>                   |                |                |                |                |                |                |                    |
| Current Liabilities.....                        | 82,263         | 137,215        | 157,468        | 172,338        | 198,760        | 183,237        | 214,532            |
| Long-Term Debt.....                             | 60,606         | 335,540        | 318,390        | 301,521        | 226,232        | 274,501        | 334,949            |
| Other Non-Current Liabilities.....              | 877            | 2,568          | 3,131          | 4,386          | 1,863          | 19,743         | 2,515              |
| Deferred Credits.....                           | 6,016          | 24,924         | 28,630         | 31,305         | 52,531         | 62,293         | 57,546             |
| Stockholders' Equity—Net of Treasury Stock..... | 131,934        | 171,541        | 169,656        | 180,227        | 201,902        | 257,792        | 300,223            |
| Preferred Stock.....                            | 160            | 141            | -----          | -----          | -----          | -----          | -----              |
| Common Stock.....                               | 17,643         | 22,293         | 20,150         | 19,483         | 19,238         | 19,703         | 19,906             |
| Other Paid-In Capital.....                      | 69,074         | 78,764         | 79,031         | 80,901         | 78,411         | 96,190         | 101,735            |
| Retained Earnings.....                          | 45,196         | 71,915         | 71,859         | 81,194         | 105,368        | 142,608        | 180,055            |
| Less: Treasury Stock.....                       | 139            | 1,572          | 1,385          | 1,352          | 1,115          | 709            | 1,473              |
| Total Liabilities and Equity.....               | <b>281,696</b> | <b>671,788</b> | <b>677,274</b> | <b>689,776</b> | <b>681,289</b> | <b>797,565</b> | <b>909,766</b>     |
| <b>Intra-Alaskan Airlines</b>                   |                |                |                |                |                |                |                    |
| <i>Assets</i>                                   |                |                |                |                |                |                |                    |
| Current Assets.....                             | 2,362          | 4,272          | 6,208          | 5,386          | 6,559          | 6,581          | 7,870              |
| Investments and Special Funds.....              | 168            | 564            | 631            | 820            | 825            | 658            | 735                |
| Flight Equipment.....                           | 2,906          | 8,294          | 8,367          | 9,509          | 10,476         | 10,602         | 11,372             |
| Reserve for Depreciation and Airworthiness..... | -2,364         | -3,594         | -4,272         | -4,948         | -5,686         | -6,003         | -6,769             |
| Ground Property and Equipment.....              | 2,278          | 3,725          | 3,886          | 4,138          | 4,369          | 4,909          | 5,335              |
| Reserve for Depreciation.....                   | -792           | -1,631         | -1,880         | -2,074         | -2,298         | -2,536         | -2,745             |
| Other Property.....                             | 68             | 137            | 144            | 418            | 333            | 465            | 1,936              |
| Deferred Charges.....                           | 35             | 346            | 469            | 455            | 565            | 652            | 581                |
| Total Assets.....                               | <b>4,661</b>   | <b>12,113</b>  | <b>13,550</b>  | <b>13,704</b>  | <b>15,144</b>  | <b>15,328</b>  | <b>18,317</b>      |
| <i>Liabilities and Equity</i>                   |                |                |                |                |                |                |                    |
| Current Liabilities.....                        | 1,907          | 3,905          | 4,860          | 4,470          | 5,708          | 5,541          | 6,333              |
| Long-Term Debt.....                             | 477            | 4,081          | 3,695          | 3,432          | 3,350          | 2,418          | 4,121              |
| Other Non-Current Liabilities.....              | -----          | 59             | 89             | 105            | 129            | 187            | 195                |
| Deferred Credits.....                           | 37             | 22             | 81             | 143            | 181            | 213            | 228                |
| Stockholders' Equity—Net of Treasury Stock..... | 2,240          | 4,046          | 4,826          | 5,554          | 5,775          | 6,969          | 7,440              |
| Preferred Stock.....                            | -----          | -----          | -----          | 420            | 473            | 468            | 486                |
| Common Stock.....                               | 1,267          | 2,346          | 2,372          | 2,119          | 2,120          | 2,221          | 2,552              |
| Other Paid-In Capital.....                      | 120            | 184            | 183            | 283            | 284            | 322            | 320                |
| Retained Earnings.....                          | 853            | 1,516          | 2,270          | 2,733          | 2,899          | 3,958          | 4,082              |
| Less: Treasury Stock.....                       | -----          | -----          | -----          | -----          | -----          | -----          | -----              |
| Total Liabilities and Equity.....               | <b>4,661</b>   | <b>12,113</b>  | <b>13,550</b>  | <b>13,704</b>  | <b>15,144</b>  | <b>15,328</b>  | <b>18,317</b>      |

# STOCKHOLDERS' EQUITY

(In Thousands of Dollars)

|   | 1955      | 1960       | 1961       | 1962       | 1963       | 1964       | (Sept. 30)<br>1965 |
|---|-----------|------------|------------|------------|------------|------------|--------------------|
| <b>All-Cargo Airlines <sup>2</sup></b>          |           |            |            |            |            |            |                    |
| <i>Assets</i>                                   |           |            |            |            |            |            |                    |
| Current Assets.....                             | 11,717    | 18,677     | 28,541     | 33,632     | 28,986     | 33,399     | 34,888             |
| Investments and Special Funds.....              | 2,850     | 28,394     | 21,920     | 9,098      | 9,322      | 7,884      | 10,085             |
| Flight Equipment.....                           | 24,143    | 54,884     | 127,996    | 157,912    | 166,757    | 174,263    | 186,481            |
| Reserve for Depreciation and Airworthiness..... | -9,308    | -25,425    | -35,620    | -40,917    | -53,157    | -64,504    | -70,651            |
| Ground Property and Equipment.....              | 2,752     | 4,050      | 5,266      | 5,613      | 6,301      | 6,936      | 7,103              |
| Reserve for Depreciation.....                   | -1,354    | -2,438     | -2,735     | -2,976     | -3,443     | -3,778     | -3,948             |
| Other Property.....                             | 398       | 6,231      | 7,175      | 5,618      | 7,688      | 1,907      | 5,814              |
| Deferred Charges.....                           | 551       | 3,532      | 8,567      | 8,621      | 7,181      | 7,070      | 6,957              |
| Total Assets.....                               | 31,749    | 87,905     | 161,114    | 176,599    | 169,634    | 163,176    | 176,729            |
| <i>Liabilities and Equity</i>                   |           |            |            |            |            |            |                    |
| Current Liabilities.....                        | 10,837    | 17,340     | 39,693     | 39,057     | 31,119     | 38,004     | 40,434             |
| Long-Term Debt.....                             | 7,598     | 46,797     | 96,166     | 105,080    | 97,767     | 84,543     | 83,280             |
| Other Non-Current Liabilities.....              | -----     | 379        | 35         | 408        | 2,582      | 2,476      | 2,476              |
| Deferred Credits.....                           | 234       | 2,615      | 1,838      | 5,288      | 9,732      | 6,580      | 10,405             |
| Stockholders' Equity—Net of Treasury Stock..... | 13,080    | 20,774     | 23,382     | 26,766     | 28,434     | 31,574     | 40,133             |
| Preferred Stock.....                            | 1,211     | 1,192      | 1,192      | 1,192      | 1,192      | 1,192      | 991                |
| Common Stock.....                               | 5,465     | 15,325     | 23,300     | 23,016     | 24,052     | 24,766     | 25,809             |
| Other Paid-In Capital.....                      | 4,304     | 20,569     | 21,633     | 21,742     | 13,900     | 13,915     | 13,855             |
| Retained Earnings.....                          | 2,100     | -16,306    | -22,738    | -19,179    | -10,705    | -8,293     | -523               |
| Less: Treasury Stock.....                       | -----     | 6          | 5          | 5          | 5          | 5          | -----              |
| Total Liabilities and Equity.....               | 31,749    | 87,905     | 161,114    | 176,599    | 169,634    | 163,176    | 176,729            |
| <b>CONSOLIDATED INDUSTRY <sup>3</sup></b>       |           |            |            |            |            |            |                    |
| <i>Assets</i>                                   |           |            |            |            |            |            |                    |
| Current Assets.....                             | 580,085   | 929,117    | 981,291    | 1,116,223  | 1,174,712  | 1,183,253  | 1,434,988          |
| Investments and Special Funds.....              | 85,625    | 210,788    | 229,096    | 191,207    | 282,478    | 301,823    | 418,660            |
| Flight Equipment.....                           | 1,168,150 | 3,089,137  | 3,558,129  | 3,912,770  | 3,974,869  | 4,523,609  | 4,911,303          |
| Reserve for Depreciation and Airworthiness..... | -619,737  | -1,208,641 | -1,374,879 | -1,558,636 | -1,725,940 | -1,814,929 | -1,891,632         |
| Ground Property and Equipment.....              | 196,928   | 395,349    | 437,235    | 463,099    | 489,877    | 556,974    | 601,878            |
| Reserve for Depreciation.....                   | -102,366  | -193,642   | -220,642   | -238,529   | -264,450   | -293,763   | -313,983           |
| Other Property.....                             | 32,423    | 117,289    | 83,636     | 41,595     | 74,867     | 61,970     | 86,158             |
| Deferred Charges.....                           | 17,074    | 108,814    | 122,647    | 106,402    | 78,883     | 84,992     | 83,468             |
| Total Assets.....                               | 1,358,182 | 3,448,211  | 3,816,498  | 4,034,131  | 4,085,296  | 4,603,929  | 5,330,839          |
| <i>Liabilities and Equity</i>                   |           |            |            |            |            |            |                    |
| Current Liabilities.....                        | 386,442   | 707,362    | 775,957    | 863,090    | 950,537    | 972,109    | 1,112,645          |
| Long-Term Debt.....                             | 273,529   | 1,507,543  | 1,884,406  | 1,923,077  | 1,729,507  | 1,876,961  | 2,052,056          |
| Other Non-Current Liabilities.....              | 1,279     | 106,658    | 25,554     | 32,625     | 21,023     | 29,106     | 21,317             |
| Deferred Credits.....                           | 29,179    | 166,008    | 179,749    | 228,532    | 305,040    | 394,037    | 436,020            |
| Stockholders' Equity—Net of Treasury Stock..... | 667,753   | 960,640    | 950,837    | 986,807    | 1,079,189  | 1,331,716  | 1,708,800          |
| Preferred Stock.....                            | 31,458    | 21,973     | 39,589     | 39,041     | 26,937     | 23,646     | 21,414             |
| Common Stock.....                               | 113,763   | 170,618    | 186,897    | 191,249    | 212,613    | 227,729    | 248,734            |
| Other Paid-In Capital.....                      | 222,695   | 389,920    | 406,693    | 422,000    | 461,047    | 517,646    | 626,796            |
| Retained Earnings.....                          | 300,078   | 380,398    | 319,737    | 337,125    | 381,428    | 564,785    | 814,513            |
| Less: Treasury Stock.....                       | 241       | 2,270      | 2,076      | 2,608      | 2,837      | 2,090      | 2,657              |
| Total Liabilities and Equity.....               | 1,358,182 | 3,448,211  | 3,816,498  | 4,034,131  | 4,085,296  | 4,603,929  | 5,330,839          |

<sup>2</sup> Balance sheet data for All-Cargo Airlines includes their international as well as domestic operations.

<sup>3</sup> Avalon Air Transport figures included only in Consolidated Industry 1960, 1961 and 1962.

### COMPARATIVE TRANSPORT SAFETY RECORD

Passenger Fatality Rate per 100,000,000 Passenger Miles

(For Selected Years)

|                                 | 1955   | 1960   | 1961   | 1962   | 1963   | 1964   | 1965 |
|---------------------------------|--------|--------|--------|--------|--------|--------|------|
| <b>U. S. Scheduled Airlines</b> |        |        |        |        |        |        |      |
| Domestic                        |        |        |        |        |        |        |      |
| Fatalities.....                 | 156    | 306    | 124    | 121    | 48     | 65     | 205  |
| Rate.....                       | 0.75   | 0.96   | 0.38   | 0.34   | 0.12   | 0.14   | 0.38 |
| International and Territorial   |        |        |        |        |        |        |      |
| Fatalities.....                 | 2      | 1      | 0      | 0      | 73     | 94     | 21   |
| Rate.....                       | 0.04   | 0.01   | 0.00   | 0.00   | 0.58   | 0.63   | 0.12 |
| Total U. S. Scheduled Airlines  |        |        |        |        |        |        |      |
| Fatalities.....                 | 158    | 307    | 124    | 121    | 121    | 159    | 226  |
| Rate.....                       | 0.62   | 0.75   | 0.30   | 0.26   | 0.23   | 0.26   | 0.32 |
| <b>Motor Buses</b>              |        |        |        |        |        |        |      |
| Fatalities.....                 | 90     | 60     | 80     | 90     | 130    | 80     | N.A. |
| Rate.....                       | 0.18   | 0.11   | 0.15   | 0.16   | 0.23   | 0.13   | N.A. |
| <b>Railroads</b>                |        |        |        |        |        |        |      |
| Fatalities.....                 | 19     | 33     | 20     | 27     | 13     | 9      | 11   |
| Rate.....                       | 0.07   | 0.16   | 0.10   | 0.14   | 0.07   | 0.05   | 0.06 |
| <b>Autos</b>                    |        |        |        |        |        |        |      |
| Fatalities.....                 | 24,700 | 24,600 | 24,700 | 26,800 | 28,900 | 31,500 | N.A. |
| Rate.....                       | 2.7    | 2.2    | 2.2    | 2.3    | 2.3    | 2.4    | N.A. |

N.A. — Not Available

### AIRLINE FARES COMPARED

Average Revenue per Passenger Mile — Intercity Common Carriers

(For Selected Years, In Cents Per Mile)

|                                     | 1955 | 1960 | 1961 | 1962 | 1963 | 1964 | 1965              | % Change<br>1955/1965 |
|-------------------------------------|------|------|------|------|------|------|-------------------|-----------------------|
| <b>Scheduled Airlines:</b>          |      |      |      |      |      |      |                   |                       |
| Domestic—First Class.....           | 5.90 | 7.06 | 7.34 | 7.57 | 7.17 | 7.26 | 7.33              | +24.2                 |
| Coach.....                          | 4.32 | 5.01 | 5.42 | 5.76 | 5.62 | 5.58 | 5.52              | +27.8                 |
| Total.....                          | 5.36 | 6.09 | 6.28 | 6.45 | 6.17 | 6.12 | 6.06              | +13.1                 |
| International—First Class.....      | 7.78 | 8.59 | 8.44 | 8.42 | 8.56 | 8.16 | 7.61              | - 2.2                 |
| Tourist*.....                       | 5.98 | 5.59 | 5.50 | 5.43 | 5.47 | 5.12 | 5.00              | -16.4                 |
| Total.....                          | 6.66 | 6.35 | 6.08 | 5.87 | 5.82 | 5.45 | 5.29              | -20.6                 |
| Total U. S. Scheduled Airlines..... | 5.60 | 6.14 | 6.24 | 6.31 | 6.09 | 5.95 | 5.87              | + 4.8                 |
| <b>Railroads, Class I</b>           |      |      |      |      |      |      |                   |                       |
| First Class.....                    | 3.32 | 3.83 | 3.94 | 3.97 | 4.00 | 3.91 | 3.90 <sup>P</sup> | +17.5                 |
| Coach.....                          | 2.47 | 2.77 | 2.84 | 2.89 | 3.00 | 3.00 | 2.99 <sup>P</sup> | +21.1                 |
| <b>Motor Buses, Class I.....</b>    | 2.06 | 2.70 | 2.70 | 2.71 | 2.72 | 2.74 | 2.88 <sup>P</sup> | +39.8                 |

\* Includes Economy Fares.

<sup>P</sup> Preliminary.

### PERSONNEL EMPLOYED

By the Scheduled Airline Industry <sup>1</sup>

(1955 - 1965)

| Year<br>(Dec. 31) | Pilots<br>and<br>Copilots | Other<br>Flight<br>Personnel | Pursers,<br>Stewards,<br>Stewardesses | Communi-<br>cations<br>Personnel | Mechanics | Aircraft<br>and Traffic<br>Servicing<br>Personnel | Office<br>Employees | All<br>Others | Total   |
|-------------------|---------------------------|------------------------------|---------------------------------------|----------------------------------|-----------|---|---------------------|---------------|---------|
| 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.....         | 13,535                    | 3,811                        | 10,600                                | 4,233                            | 34,181    | 43,334  | 35,440              | 21,101        | 166,235 |
| 1961.....         | 13,936                    | 4,162                        | 11,858                                | 3,745                            | 34,065    | 44,617  | 36,642              | 20,916        | 169,941 |
| 1962.....         | 13,820                    | 4,151                        | 12,178                                | 3,418                            | 34,925    | 46,696  | 36,952              | 20,687        | 172,827 |
| 1963.....         | 14,262                    | 4,048                        | 13,109                                | 3,716                            | 34,453    | 49,056  | 37,867              | 22,376        | 178,887 |
| 1964.....         | 15,136                    | 4,415                        | 14,470                                | 3,195                            | 39,360    | 51,944  | 40,325              | 22,973        | 191,818 |
| 1965*.....        | 16,313                    | 4,846                        | 17,067                                | 3,208                            | 40,681    | 56,273  | 42,854              | 24,707        | 205,949 |

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

\* As of September 30, 1965.

## REVENUE PASSENGERS CARRIED

### U. S. Scheduled Airline Industry

(For Selected Years, In Thousands of Passengers)

|  | 1955          | 1960                      | 1961                      | 1962                      | 1963                      | 1964          | 1965          |
|--|---------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------|---------------|
| Domestic Trunk Airlines.....                 | 34,467        | 45,184                    | 44,679                    | 46,759                    | 53,380                    | 60,532        | 69,882        |
| Local Service Airlines.....                  | 2,940         | 5,591                     | 6,470                     | 7,651                     | 8,865                     | 10,481        | 12,314        |
| Helicopter Airlines.....                     | 29            | 490                       | 431                       | 359                       | 458                       | 608           | 719           |
| Intra-Hawaiian Airlines.....                 | 591           | 857                       | 837                       | 877                       | 973                       | 1,119         | 1,370         |
| Intra-Alaskan Airlines.....                  | 194           | 201                       | 217                       | 239                       | 225                       | 247           | 264           |
| International and Territorial Airlines.....  | 3,488         | 5,497                     | 5,699                     | 6,598                     | 7,513                     | 8,775         | 10,194        |
| <b>TOTAL SCHEDULED AIRLINE INDUSTRY.....</b> | <b>41,709</b> | <b>57,872<sup>1</sup></b> | <b>58,411<sup>1</sup></b> | <b>62,549<sup>1</sup></b> | <b>71,438<sup>1</sup></b> | <b>81,762</b> | <b>94,743</b> |

## AVERAGE LENGTH OF HAUL

(Statute Miles)

|   | 1955  | 1960  | 1961  | 1962  | 1963  | 1964  | 1965  |
|---|-------|-------|-------|-------|-------|-------|-------|
| Domestic Trunk Airlines.....                | 557   | 647   | 661   | 681   | 682   | 688   | 701   |
| International and Territorial Airlines..... | 1,290 | 1,510 | 1,539 | 1,536 | 1,585 | 1,636 | 1,647 |

<sup>1</sup> Includes Avalon Air Transport

## PASSENGER TRAVEL BETWEEN THE UNITED STATES AND FOREIGN COUNTRIES \*

(Thousands of Passengers)

|  | 1955        | 1960        | 1961        | 1962        | 1963        | 1964        | 1965        |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Passengers via Air.....                    | 2,206       | 4,576       | 4,954       | 5,364       | 5,997       | 6,905       | 8,227       |
| Passengers via Sea.....                    | 1,216       | 1,474       | 1,469       | 1,568       | 1,639       | 1,710       | 1,652       |
| Total via Air and Sea.....                 | 3,422       | 6,050       | 6,423       | 6,932       | 7,636       | 8,615       | 9,879       |
| <b>Air Share (%).....</b>                  | <b>64.5</b> | <b>75.6</b> | <b>77.1</b> | <b>77.4</b> | <b>78.5</b> | <b>80.2</b> | <b>83.3</b> |
| U. S. Citizens via Air (%).....            | 66.4        | 63.0        | 61.2        | 61.4        | 61.8        | 61.8        | 60.9        |
| Passengers via Foreign-Flag Airlines.....  | 698         | 2,071       | 2,496       | 2,684       | 2,977       | 3,465       | 4,195       |
| Passengers via U. S.-Flag Airlines.....    | 1,508       | 2,505       | 2,458       | 2,680       | 3,020       | 3,440       | 4,032       |
| <b>U. S.-Flag Airlines' Share (%).....</b> | <b>68.4</b> | <b>54.8</b> | <b>49.6</b> | <b>50.0</b> | <b>50.4</b> | <b>49.8</b> | <b>49.0</b> |

\* Figures are for fiscal years and are exclusive of travel over land borders (except Mexican air travel), crewmen, military personnel, and travelers between continental United States and its possessions.

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

## INTERCITY PASSENGER TRAVEL IN THE UNITED STATES

(Passenger Miles in Millions)

|                                    | 1955        | 1960        | 1961        | 1962        | 1963        | 1964        | 1965                  |
|------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-----------------------|
| Common Carriers                    |             |             |             |             |             |             |                       |
| Airlines.....                      | 19,852      | 30,557      | 31,062      | 33,623      | 38,457      | 44,141      | 51,887                |
| Railroads.....                     | 23,747      | 17,064      | 16,154      | 15,859      | 14,396      | 14,048      | 13,100 <sup>2B</sup>  |
| Motor Bus <sup>1</sup> .....       | 21,900      | 19,900      | 19,700      | 21,300      | 21,900      | 22,700      | 22,700 <sup>2B</sup>  |
| Total.....                         | 65,499      | 67,521      | 66,916      | 70,782      | 74,753      | 80,889      | 87,687 <sup>2B</sup>  |
| <b>Air Share (%).....</b>          | <b>30.3</b> | <b>45.3</b> | <b>46.4</b> | <b>47.5</b> | <b>51.4</b> | <b>54.6</b> | <b>59.2</b>           |
| Private Automobile.....            | 590,000     | 680,600     | 692,000     | 720,000     | 748,500     | 783,000     | 817,000 <sup>2B</sup> |
| Total Common Carrier and Auto..... | 655,499     | 748,121     | 758,916     | 790,782     | 823,253     | 863,889     | 904,687               |
| Common Carrier Share (%).....      | 10.0        | 9.0         | 8.8         | 9.0         | 9.1         | 9.4         | 9.7                   |
| <b>Air Share (%).....</b>          | <b>3.0</b>  | <b>4.1</b>  | <b>4.1</b>  | <b>4.3</b>  | <b>4.7</b>  | <b>5.1</b>  | <b>6.4</b>            |

<sup>1</sup> Includes charter

<sup>2B</sup> Estimated

# AIRCRAFT IN SERVICE AND ON ORDER

By U. S. Scheduled Airline Industry

(For Selected Years)

| Manufacturer              | Model                         | (In service as of 12/31) |              |              |              |              |              |              | New Aircraft<br>On Order<br>12/31/65* |
|---------------------------|-------------------------------|--------------------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------------------------------|
|                           |                               | 1955                     | 1960         | 1961         | 1962         | 1963         | 1964         | 1965         |                                       |
| Armstrong-Whitworth:      | Argosy (Turboprop)            | ---                      | ---          | 7            | ---          | ---          | ---          | ---          | ---                                   |
| Boeing:                   | 377                           | 36                       | 3            | ---          | ---          | ---          | ---          | ---          | ---                                   |
|                           | B707 (Jet)                    | ---                      | 91           | 94           | 117          | 133          | 157          | 187          | 103                                   |
|                           | B720 (Jet)                    | ---                      | 22           | 76           | 99           | 104          | 112          | 121          | 8                                     |
|                           | B727 (Jet)                    | ---                      | ---          | ---          | ---          | ---          | 88           | 168          | 173                                   |
|                           | B737 (Jet)                    | ---                      | ---          | ---          | ---          | ---          | ---          | ---          | 60                                    |
| British Aircraft Corp.:   | BAC 111 (Jet)                 | ---                      | ---          | ---          | ---          | ---          | ---          | 17           | 32                                    |
| Canadair:                 | CL 44 (Turboprop)             | ---                      | ---          | 9            | 21           | 21           | 21           | 24           | ---                                   |
| Convair:                  | 240                           | 98                       | 51           | 46           | 50           | 49           | 51           | 55           | ---                                   |
|                           | 340/440                       | 123                      | 148          | 146          | 149          | 153          | 149          | 145          | ---                                   |
|                           | 540 (Turboprop)               | ---                      | 4            | 5            | ---          | ---          | ---          | ---          | ---                                   |
|                           | 580/600 (Turboprop)           | ---                      | ---          | ---          | ---          | ---          | 4            | 20           | 66                                    |
|                           | 880 (Jet)                     | ---                      | 14           | 39           | 45           | 46           | 48           | 47           | ---                                   |
|                           | 990 (Jet)                     | ---                      | ---          | ---          | 15           | 19           | 19           | 18           | ---                                   |
| Curtiss:                  | C-46                          | 62                       | 42           | 44           | 40           | 34           | 22           | 22           | ---                                   |
| Douglas:                  | DC-3                          | 336                      | 276          | 250          | 213          | 197          | 164          | 140          | ---                                   |
|                           | DC-4                          | 146                      | 52           | 25           | 15           | 14           | 15           | 3            | ---                                   |
|                           | DC-6                          | 257                      | 301          | 260          | 230          | 217          | 203          | 177          | ---                                   |
|                           | DC-7                          | 82                       | 217          | 215          | 203          | 164          | 121          | 64           | ---                                   |
|                           | DC-8 (Jet)                    | ---                      | 75           | 93           | 100          | 104          | 114          | 130          | 31                                    |
|                           | DC-9 (Jet)                    | ---                      | ---          | ---          | ---          | ---          | ---          | 4            | 131                                   |
| Fairchild Hiller:         | F-27 (Turboprop)              | ---                      | 42           | 44           | 46           | 50           | 54           | 63           | 3                                     |
|                           | FH-227 (Turboprop)            | ---                      | ---          | ---          | ---          | ---          | ---          | ---          | 45                                    |
| Lockheed:                 | Lodestar                      | 9                        | ---          | ---          | ---          | ---          | ---          | ---          | ---                                   |
|                           | Constellation                 | 110                      | 75           | 69           | 44           | 40           | 41           | 36           | ---                                   |
|                           | Super Constellation           | 61                       | 129          | 115          | 114          | 111          | 107          | 70           | ---                                   |
|                           | Electra (Turboprop)           | ---                      | 107          | 122          | 117          | 117          | 117          | 117          | ---                                   |
|                           | L-382B (Turboprop)            | ---                      | ---          | ---          | ---          | ---          | ---          | ---          | 2                                     |
| Martin:                   | 202                           | 19                       | 15           | 17           | 17           | 16           | 15           | 13           | ---                                   |
|                           | 404                           | 100                      | 80           | 64           | 66           | 59           | 65           | 71           | ---                                   |
| Nord Aviation:            | 262 (Turboprop)               | ---                      | ---          | ---          | ---          | ---          | ---          | 5            | 6                                     |
| Sud Aviation:             | Caravelle (Jet)               | ---                      | ---          | 17           | 20           | 20           | 20           | 20           | ---                                   |
| Vickers:                  | V-700 (Series)<br>(Turboprop) | 8                        | 61           | 57           | 55           | 49           | 48           | 48           | ---                                   |
|                           | V-800 Series<br>(Turboprop)   | ---                      | 13           | 13           | 12           | 11           | 11           | 11           | ---                                   |
| Other:                    |                               | 21                       | 24           | 27           | 23           | 84           | 73           | 74           | ---                                   |
| <b>Total Fixed Wing:</b>  |                               | <b>1,468</b>             | <b>1,842</b> | <b>1,854</b> | <b>1,811</b> | <b>1,812</b> | <b>1,839</b> | <b>1,870</b> | <b>660</b>                            |
| Jet                       |                               | ---                      | 202          | 319          | 396          | 426          | 558          | 712          | 538                                   |
| Turboprop                 |                               | ---                      | 227          | 257          | 251          | 250          | 255          | 288          | 122                                   |
| Piston                    |                               | 1,468                    | 1,413        | 1,278        | 1,164        | 1,136        | 1,026        | 870          | ---                                   |
| <b>Helicopters:</b>       |                               |                          |              |              |              |              |              |              |                                       |
| Bell:                     | B47                           | 7                        | 5            | 1            | 1            | 1            | ---          | ---          | ---                                   |
| Sikorsky:                 | S51                           | 2                        | 2            | 1            | ---          | 1            | 1            | ---          | ---                                   |
|                           | S55                           | 10                       | 5            | 5            | 5            | 2            | 2            | 2            | ---                                   |
|                           | S58                           | ---                      | 7            | 7            | 5            | 4            | 4            | 4            | ---                                   |
|                           | S61 (Turbine)                 | ---                      | ---          | ---          | 4            | 4            | 6            | 7            | 1                                     |
|                           | S62 (Turbine)                 | ---                      | 1            | ---          | ---          | 4            | 3            | 1            | ---                                   |
| Boeing Vertol:            | V44B                          | ---                      | 5            | 5            | 1            | ---          | ---          | ---          | ---                                   |
|                           | V107 (Turbine)                | ---                      | ---          | ---          | 4            | 4            | 4            | 7            | ---                                   |
| <b>Total Helicopters:</b> |                               | <b>19</b>                | <b>25</b>    | <b>19</b>    | <b>20</b>    | <b>20</b>    | <b>20</b>    | <b>21</b>    | <b>1</b>                              |
| Turbine                   |                               | ---                      | 1            | ---          | 8            | 12           | 13           | 15           | 1                                     |
| Piston                    |                               | 19                       | 24           | 19           | 12           | 8            | 7            | 6            | ---                                   |

\* The U. S. scheduled airlines have placed 21 orders for the British-French Concorde and hold 42 tentative delivery positions for the U. S. supersonic transport.

Source: Aircraft in service data obtained from Federal Aviation Agency records and aircraft on order data obtained from Air Transport Association survey.



# 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 Carriers** include those carriers which presently have permanent operating rights within the continental United States. There are currently eleven trunk lines, most of which operate high-density traffic routes between the principal traffic centers of the United States.

|             |          |                        |         |
|-------------|----------|------------------------|---------|
| American    | Delta    | Northeast <sup>1</sup> | United  |
| Braniff     | Eastern  | Northwest              | Western |
| Continental | National | Trans World            |         |

2. **The Domestic Local Service Carriers** have, with one exception, been certificated since 1945. These carriers, thirteen in number, operate routes of lesser traffic density between the smaller traffic centers and between these centers and principal centers.

|           |                            |          |                         |
|-----------|----------------------------|----------|-------------------------|
| Allegheny | Lake Central               | Ozark    | Southern                |
| Bonanza   | Mohawk <sup>1</sup>        | Pacific  | Trans-Texas             |
| Central   | North Central <sup>1</sup> | Piedmont | West Coast <sup>1</sup> |
| Frontier  |                            |          |                         |

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

|       |          |
|-------|----------|
| Aloha | Hawaiian |
|-------|----------|

4. **The Intra-Alaskan Carriers** provide service within the State of Alaska.

|                      |                                |                       |                |
|----------------------|--------------------------------|-----------------------|----------------|
| Alaska Coastal-Ellis | Kodiak                         | Northern Consolidated | Western Alaska |
| Cordova              | Howard J. Mays <sup>2, 3</sup> | Reeve Aleutian        | Wien Alaska    |

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

|   |                     |                  |  |
|---|---------------------|------------------|--|
| Chicago Helicopter Airways <sup>3</sup> | Los Angeles Airways | New York Airways | San Francisco &<br>Oakland Helicopter<br>Airlines <sup>4</sup> |
|---|---------------------|------------------|--|

6. **The International and Territorial Carriers** 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             | Delta               | Northwest          | Trans Caribbean |
| American           | Eastern             | Pacific Northern   | Trans World     |
| Braniff            | Mackey <sup>2</sup> | Pan American       | United          |
| Caribbean Atlantic | National            | Pan American-Grace | Western         |

7. **The All-Cargo Carriers** operate scheduled flights carrying freight, express and mail between designated areas in the U. S., and in one case to the Caribbean and in another to Europe.

|                                     |                |                    |
|-------------------------------------|----------------|--------------------|
| Aerovias Sud Americana <sup>3</sup> | Flying Tiger   | Slick <sup>3</sup> |
| Airlift International               | Seaboard World |                    |

8. **Supplemental Air Carriers.** A class of air carriers now holding temporary certificates issued by the CAB authorizing them to perform passenger and cargo charter services, supplementing the scheduled service of the certificated route air carriers. As of March 1, 1966, there were 13 such companies. Statistical data of these carriers are not included herein.

9. **Intra-state Air Carriers.** A class of air carriers operating as intra-state common carriers, whose operations are limited to an area within the boundaries of a particular state, and whose operating authority is granted by the Aviation or Transportation Board of Control of that state. Statistics for this carrier group are not included in this report.

10. **Others.** Among other classes of operators are the air taxi operators and air freight forwarders. Air taxi operators are a class of air carriers operating light aircraft up to a gross weight of 12,500 lbs., and engaging in a wide variety of passenger and/or cargo transportation services, with no necessarily fixed routes. Air freight forwarders are classified as indirect air carriers and are engaged in the assembly and consolidation of cargo for transportation by a direct air carrier. There are approximately 100 forwarders operating in domestic interstate and foreign and overseas commerce. Statistical data for these groups of carriers are not included herein.

<sup>1</sup> Also certificated to provide trans-border service.

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

<sup>3</sup> Scheduled services temporarily suspended.

<sup>4</sup> Certificated to carry persons, property and mail at a service rate.

# AIR TRANSPORT ASSOCIATION OF AMERICA

*Twenty-Seventh Edition*

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