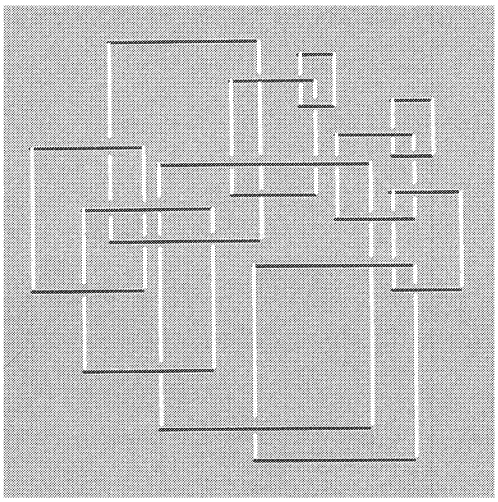

1969 AIR TRANSPORT FACTS & FIGURES

Traffic and Financial Summary
of the U. S. Scheduled Airline Industry

1968 AT A GLANCE

TRAFFIC	1968	1967	Per Cent Change
Revenue Passengers (000)	150,170	132,091	13.7
Revenue Passenger Miles (000)	113,958,321	98,746,641	15.4
Available Seat Miles (000)	216,445,751	174,818,524	23.8
Passenger Load Factor	52.6%	56.5%	−6.9
Freight Ton Miles (000)	2,804,797	2,351,108	19.3
U.S. Mail Ton Miles (000)	1,256,949	976,126	28.8
Express Ton Miles (000)	105,135	98,883	6.3
Cargo Ton Miles (000)	4,166,881	3,426,117	21.6
Total Revenue Ton Miles (000)	18,116,220	15,684,289	15.5
Total Available Ton Miles (000)	37,222,548	30,785,135	20.9
Ton Mile Load Factor	48.7%	50.9%	−4.3
FINANCES			
Passenger Revenues ($000)	6,229,521	5,425,862	14.8
Cargo Revenues ($000)	861,452	761,067	13.2
Total Operating Revenues ($000)	7,773,328	6,864,866	13.2
Total Operating Expenses ($000)	7,248,450	6,156,611	17.7
Net Operating Income ($000)	524,878	708,254	−25.9
Net Profit ($000)	216,108	415,392	−48.0
Profit Margin on Sales	2.8%	6.1%	−54.1
Rate of Return on Investment	5.0%	7.6%	−34.2

The Standard Reference of U. S. Scheduled Air Transportation
Official Publication of the Air Transport Association of America

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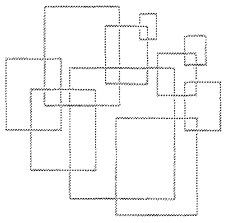


This year's cover sets the theme of Facts & Figures 1969. The design of ten interrelated squares symbolizes ten years of jet age progress.

STUART G. TIPTON
President
Air Transport Association of America

ONE JET AGE ENDS – AND ANOTHER BEGINS

At the dawn of the Civil Jet Age, the scheduled airlines of the United States made a $2.5 billion decision. That decision involved an investment of no less than two and a half times the industry's net worth at that period in the responsiveness of the public to a new form of transportation—the jet aircraft.

Because of the airlines' bold action a transformation took place which changed the nature and quality of air transportation in the United States. The benefits to the American public have exceeded all expectations.

One major benefit has been to the consumer's pocketbook. Despite the vast improvement in the quality of air transport service in the last ten years, the average fare per passenger mile is less today than it was ten year ago. If the passengers in 1968 had paid the fares that were in force in 1958, the travel bill would have been $380 million higher.

The air transport industry is now at the point of a changeover from one jet age into another. As it prepares for the next decade two serious problems loom. The first problem is the need for the airlines to attain that level of earnings which will allow them to finance a whole new generation of advanced technology jets; the 747, L-1011, and DC-10, and supersonic transports, together with supporting ground facilities on an unprecedented scale.

The second is the need for more understanding on the part of the Federal government of the truly dynamic nature of the air transportation system and to provide the necessary facilities.

The steady inroads of inflationary pressure upon wage levels and all the other factors affecting operating costs have taken their inevitable toll on profits. The margin between revenues, held down by declining yield, and expenses, forced up by these cost pressures, has become manifestly inadequate. The Civil Aeronautics Board (CAB) has acted wisely in allowing, earlier this year, a modest upward adjustment in fares. But with earnings still seriously sagging it is quite clear that further relief must be considered.

The dynamic growth of the air transport industry and its emergence as the major form of public intercity transportation have made it imperative that the development and improvement of the national aviation system keep pace with that growth. The restrictions which have gone into effect at five major airports this year are unmistakable signs of past neglect in this regard. What is needed now is for the Federal government to take leadership in providing the funds for new and improved airways and the stimulus for the development of more and better airports to handle the increased volume of traffic.

1968 – THE TENTH YEAR OF JET SERVICE

1968, the year in which the airline industry marked the tenth anniversary of scheduled American jet service and the end of ten years of unprecedented growth was a disappointing one for the industry. Despite record levels of traffic, the margin of revenues over expenses was significantly below the profit standard set by the Civil Aeronautics Board as a fair and reasonable rate of return on investment.

Revenue ton miles, the basic measure of service, both scheduled and charter, reached a record high of 18.12 billion ton miles, more than four times the level of service of 1958, the first year of the jet age and a 15.5 per cent increase over 1967. However, earnings declined from 1967's $415.4 million to $216.1 million in 1968 and the rate of return on investment fell to a seven-year low of 5.0 per cent.

Some highlights of the 1968 air transport year:

Passenger Traffic: Stimulated by the greater speed and comfort of the jets, the number of passengers flying on the U.S. scheduled airlines tripled in the ten years of the jet age, from 50 million to 150 million annually. Revenue passenger miles flown more than tripled from 31.50 billion to 113.96 billion over the ten years and increased 15.4 per cent over 1967.

It is interesting to note that these tremendous gains in traffic were accomplished with only a 23 per cent increase in the size of the aircraft fleet, due to the greater size, speed and reliability of the jets.

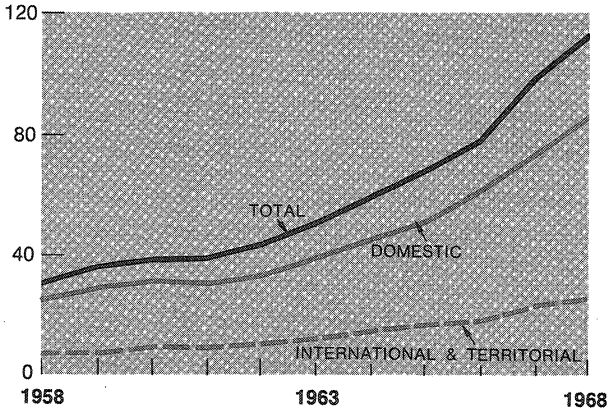
Cargo Traffic: Cargo traffic showed even greater gains than passenger traffic over the ten years. Cargo ton miles (freight, mail and express) reached 4.17 billion in 1968, four times the 1958 level and 21.6 per cent more than 1967.

The breakdown of cargo traffic:

	1968 (000)	*1967 (000)*	*Per cent Increase*
Freight Ton Miles	2,804,797	2,351,108	19.3%
Express Ton Miles	105,135	98,883	6.3
Mail Ton Miles			
Priority	581,883	567,301	2.6
Non-priority	675,066	408,825	65.1

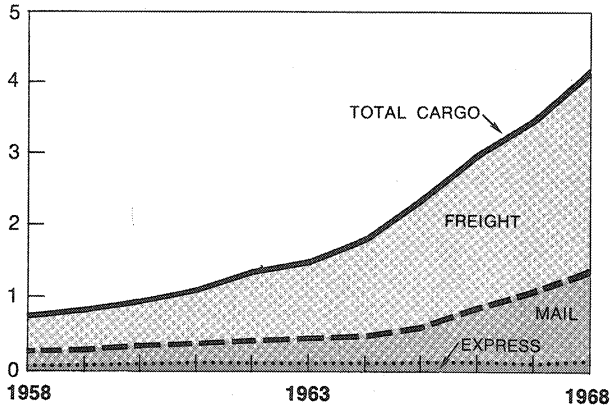
PASSENGER TRAFFIC

Billions of Revenue Passenger Miles



CARGO TRAFFIC

Billions of Ton Miles



Freight: A great stimulus to the growth of air freight has been the jet freighter which was introduced into service in 1963. With more than 300 jet freighters in service, the airlines now schedule cargo aircraft into 67 U.S. cities, including 47 cities served by jet and turboprop freighters.

One benefit of the jet freighter is that it has made possible the containerization of air freight and in late 1966, the airlines started a domestic air freight containerization program. A comparison of key results for the program's first and second years shows containerized movements up from 28,252 to 72,047 (155 per cent); volume of container traffic, up from 40 million pounds to 99 million pounds and revenue from containerized traffic up from $3.7 million to $6.5 million.

Mail: In 1968, for the first time, the airlift of first class letter mail accounted for more than half (53.7 per cent) of the mail service performed by the airlines. The Post Office Department announced that the airlift was being used in virtually all cases where it would benefit the transportation of letter mail. Support mounted for adoption of a single class of priority mail service.

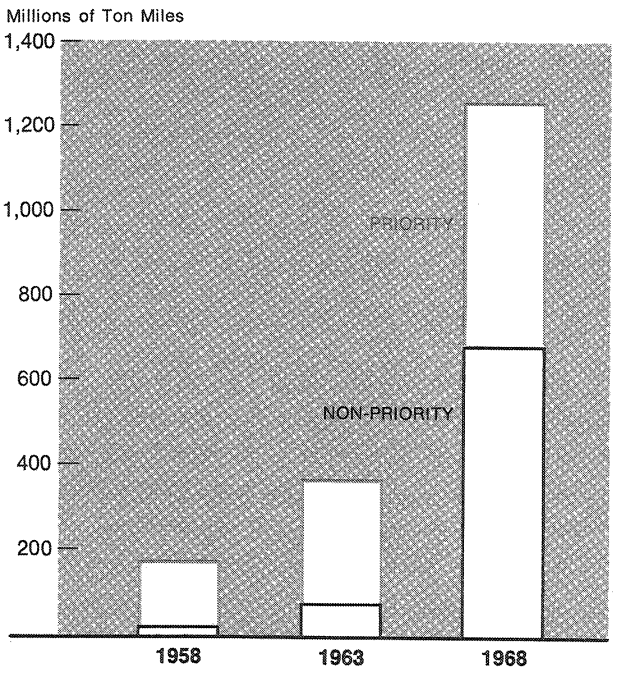
Growing mail volumes handled by the airlines fostered more joint Post Office Department/airline innovations, including the building of more mail facilities at airports, the greater use of planeside pick-up and delivery of mail, closer coordination of late-evening airline flights with post office close-out times, the computerization of airline scheduling data by the Post Office Department to make better use of available airlift and stepped-up research on containers specially designed for mail.

Air Express: Air Express, the oldest of air shipping services, continued modest growth, even in the face of increasing competition in the small-shipments field. Air Express is a nationwide, door-to-door delivery priority service provided jointly by the airlines and REA Express. It is used most often for packages weighing between five pounds and fifty pounds. It accounted for 105,135,000 ton miles of service in 1968, a gain for the year of 6.3 per cent.

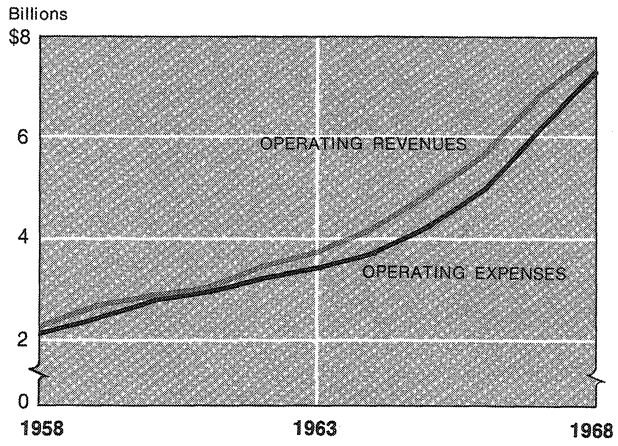
Rising Cost Levels Put Airline Profits In Squeeze in 1968

The 1968 decline in the industry's net income was also reflected in return on investment. The industry rate of return in 1968 was 5.0 per cent as compared to 7.6 per cent in the previous year. The Civil Aeronautics Board has set 10.5 per cent as a fair rate of return.

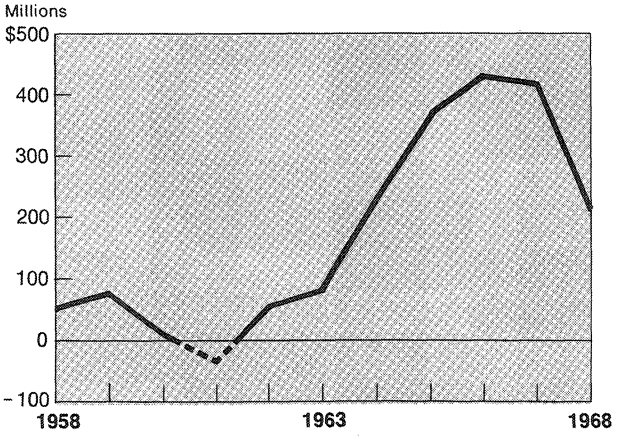
PRIORITY AND NON-PRIORITY MAIL



TOTAL OPERATING REVENUES AND EXPENSES



NET INCOME



One factor contributing to the industry's declining profit position in 1968 was the continuation of the trend toward greater percentage increases in operating expenses than in operating revenues—a trend which began in 1966. Operating expenses per revenue ton miles in 1968 increased by 1.9 per cent over 1967 while operating revenues declined by 2.0 per cent; causing a 35.7 per cent reduction in operating profit per revenue ton mile.

Another factor involved in the industry's financial picture was the continuation of a downward trend in yield, or average revenue per revenue passenger mile. The declining yield, strongly influenced by proliferating promotional discount fares, fell from 5.49 cents per revenue passenger mile in 1967 to 5.47 cents in 1968.

Financial results for the first quarter of 1969 indicate that the squeeze on airline profits is accelerating. Preliminary figures for 11 of the 12 major trunk lines show a net loss of $19 million, compared to a net profit of $18 million for the first quarter of 1968.

Early in 1969, the CAB acted to improve the industry's financial situation. Recognizing the seriousness of the industry's revenue/expense problem, the CAB authorized modest fare increases which became effective on March 1. These fare increases are estimated to have the effect of producing a revenue increase of slightly less than 4 per cent for the domestic trunks and slightly less than 10 per cent for the local service airlines.

Aircraft: During 1968, the airlines took delivery of 478 new jet aircraft valued at $2.56 billion. Already, in the first five months of 1969, they have taken delivery of 180 more jet aircraft valued at $1.29 billion. For delivery in the rest of the year, the airlines expect another 157 aircraft.

The total equipment program for the years 1969-1972 and beyond now totals $7.42 billion for 628 new aircraft. Most of the planes to be added to the airline fleets in the next few years will be of the new family of wide-bodied three and four engine "super jets" that will enable the airlines to absorb great increases in traffic with only small increases in the size of their fleets.

In addition to this investment in flight equipment, the airlines are also investing heavily in airport terminal facilities in order to handle the passenger and cargo traffic of the future. During the four-year period 1968-1971, they will spend $1.5 billion for construction and improvement at

airports and between 1972-1975, they will spend another $1.0 billion for a total investment of $2.5 billion at airports over the eight-year period.

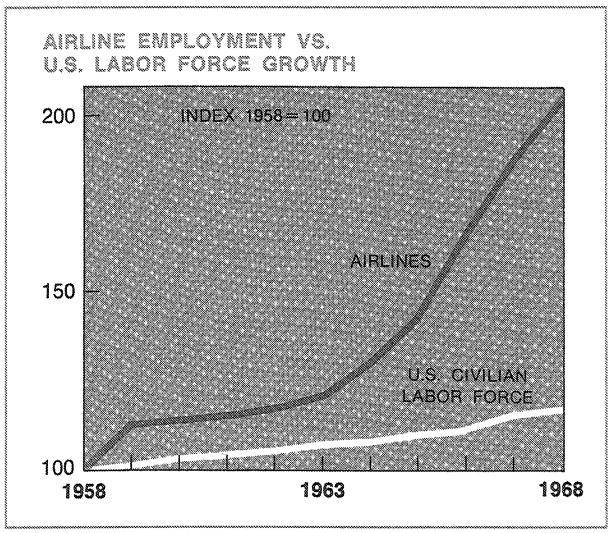
The total airline investment in airport facilities and flight equipment over the next few years will come to almost $10 billion.

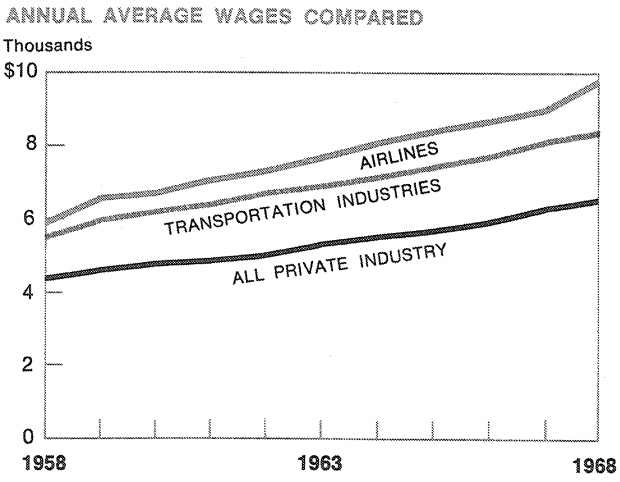
Employment: During 1968, the airlines created more than 24,000 new jobs, bringing total employment to approximately 300,000—more than double the figure ten years ago.

The total airline payroll came to $2.9 billion and accounted for 40.3 per cent of overall operating expenses. The annual average salary paid to airline employees was $9,722, up more than 62 per cent over the past decade.

During the year, the airlines provided employment for more than 3,000 persons under a federal program created in 1968 to enlist the resources of industry in providing jobs for those classified as "hard-core unemployed."

The goal of the program is to provide jobs for persons disadvantaged by lack of education or other limitations and to give them the necessary training leading to permanent employment. An important part of the program is to generate productive jobs for young people as an inducement towards further schooling.





Improving Passenger Service

The growing demand for air travel has its effect not only on flight equipment the airlines are buying but on airline passenger handling techniques as well. Reservations must be made, tickets must be issued and baggage must be controlled in ever-growing numbers and with jet-age speed and precision.

Member carriers of the ATA and the International Air Transport Association (IATA) are now working on a computer-controlled system that would permit a single standard document to serve the air passenger from the time of issuance to his destination anywhere in the world. Such a system would provide for fare computation and ticket issuance by computer and automated methods of passenger check-in and boarding, aircraft loading control and baggage handling.

As the state of computer technology has progressed, more sophisticated reservations systems have come into being. U.S. airlines today have some $250 million invested in computerized reservations systems, enabling agents to handle with reasonable swiftness the 300 million reser-

vations made by the 150 million passengers who flew in 1968.

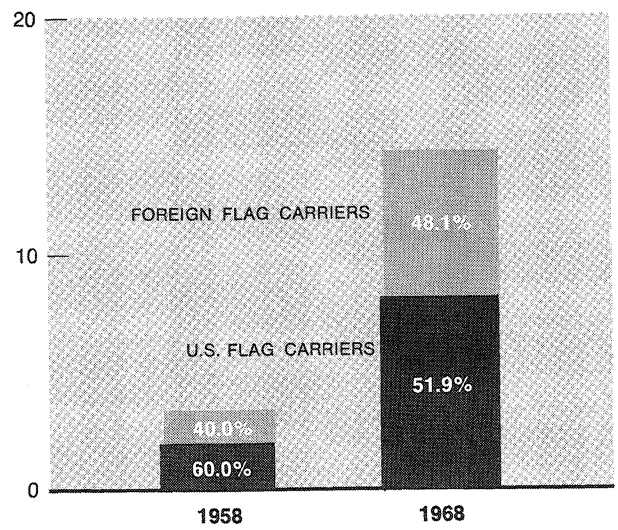
Computer technology in the reservations field took a significant step forward in 1968 when the Air Traffic Conference of ATA decided to proceed with implementation of a common automated reservations system tying together the reservations systems of the airlines to provide travel agents and other high volume users of air transportation with immediate access to the seat availability information of all participating airlines. ATARS (Automated Travel Agents Reservations System) was selected as the common reservation system for the airlines and is scheduled to be in operation sometime next year.

Baggage handling is also part of the totally automated passenger processing concept envisioned by the airlines. Based on the industry's average of 1.3 bags per passenger, the airlines during 1968 offloaded almost 200 million pieces of baggage. By 1975, the number is expected to more than double.

To keep pace with these demands, the airlines are developing an automated baggage transport system for use within the airport terminal complex. A prototype—the Docutel System (formerly known as Teletrans)—has been completed and is being tested. It uses shock-proof baggage carts propelled by linear induction motors, which travel along tracks at 15-20 mph.

When ultimately installed in airports, a passenger will be able to place his luggage on a cart at any number of pick-up points in the terminal parking lots or at check-in areas, and similarly be able to have his bag delivered to him where he is located in the airport or parking area.

PASSENGER TRAVEL BETWEEN U.S. AND FOREIGN COUNTRIES



Facilitating Border Crossing: Progress was made during the year on making the crossing of international borders easier and quicker. For international travelers returning to the U.S. the process has been facilitated in several cities by the Accelerated Inspection System in which the traveler deals with one U.S. officer representing Customs, Public Health, Immigration and Agriculture rather than having to go through each step separately.

Another time-saver for the traveler is preclearance by which a passenger returning to the U.S. from principal cities in Canada, the Bahamas and Bermuda is processed by a U.S. Customs agent before boarding his flight.

For shippers, new regulations permitting exporters who market in Canada, Puerto Rico, the U.S. Virgin Islands, Guam and American Samoa,

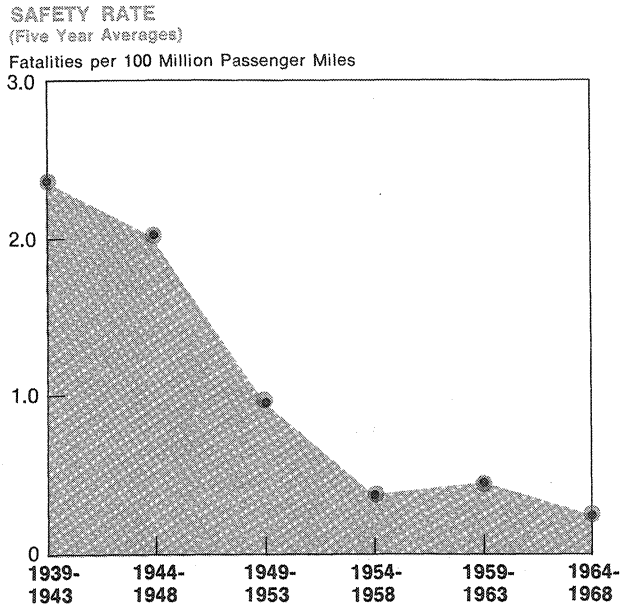
to file export declarations monthly, rather than with each shipment save time, money and paperwork.

Another time and money saver for shippers is the port-of-origin air cargo clearance program which permits examination of export declarations, review of export licenses and other procedures in the originating city, rather than delaying these steps until the shipment reaches another city for transfer to an international carrier. This program is now in effect in 30 cities in the U.S.

Balance of Payments: The airlines reacted quickly to the Administration's call, early in 1968, for action by the industry to encourage travel by foreign visitors to the United States in an effort to reduce the balance of payments deficit. The U.S. airlines led the way toward an international agreement which cut the fares to the U.S. by about 50 per cent. The airlines also reduced fares for foreign visitors on air trips within the United States by 50 per cent, and undertook a vigorous advertising campaign abroad, increasing their overseas expenditures for advertising and promotion of travel to the United States from outside the Western Hemisphere by 53 per cent in 1968 over 1967. New coordinated sales plans and programs abroad were developed emphasizing the U.S. as a tourist destination and free educational tours of this country were provided for foreign travel agents, tour operators and travel editors.

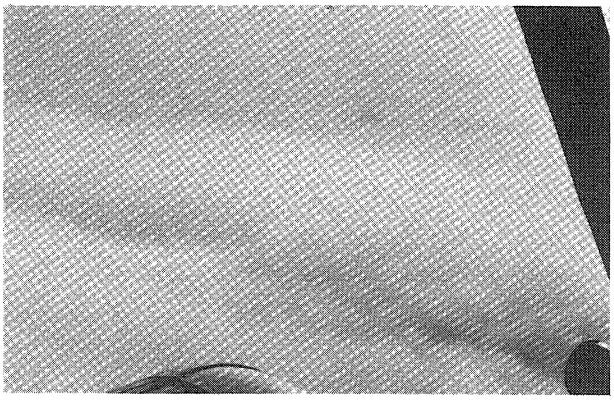
Expanding Technology Contributes To Ever Improving Safety Performance

The safety rate for the U.S. scheduled airlines was, for 1968, 0.27 passenger fatalities per 100 million passenger miles. This was the seventeenth year in a row that the fatality rate was below 1.0. The average for the five-year period 1964-1968 was 0.23, compared to 0.37 for the five years 1954-1958, the last years of the piston era.



Fog Dispersal: During the winter of 1968-69, cold fog dispersal operations were in effect at 14 airports. This 13-year-old program opens up airports closed by cold fog (below 32 deg F) by thinning or dispersing the fog.

The most prevalent type of fog, warm fog, accounts for 95 per cent of all airport-closing fog, and successfully resisted efforts to disperse



FOG BANK over Stockton, California seen (above) from cockpit of seeding plane at beginning of fog dispersal operation. Darkened valley in foreground is typical evidence of seeding reaction, and results from previous seeding pass of plane. Break in fog (below) produced by an hour's seeding reveals City of Stockton.

it until an airline-funded test program at Sacramento, Calif., proved out new materials and techniques. In May, 1968, the airlines announced that their evaluation showed the new materials successfully opened up airports closed by fog on 70 per cent of the aerial fog-seeding flights.

This technique was used operationally at Portland, Ore., during the winter of 1968-69. A more limited, and less expensive technique developed by the National Aeronautics and Space Administration, was used operationally during this period at Sacramento and Los Angeles, Calif. 1968, therefore, was a milestone year for warm fog dispersal: the 20-year search for a practical method of dispersal ended, and the first three operational programs started.

Collision Avoidance System (CAS): Tests of displays were made in airline flight simulators, with data recorded and analyzed to determine pilot reaction time, best display, best display location.

The airlines, through ATA, contracted with a flight test management firm to conduct flight test and evaluation of the first hardware built to meet 13-year-old requirements for CAS. Tests are scheduled to begin in June, 1969, with equipment supplied by three manufacturers. Depending upon results of tests, equipment could be in airline aircraft within the next five years.

Runway Grooving: Airline evaluation of grooved runways at New York's John F. Kennedy, Washington National and Kansas City, Mo., Municipal airports showed that thin shallow grooves cut into the runways greatly improved braking action on wet runways without harm to airplane landing gear or to the pavement.

During 1968, runways were grooved at Chicago's Midway Airport, Charleston, W. Va. and Atlanta.

Area Navigation: Tests by FAA and three airlines explored a technique of using airborne equipment to increase the efficiency and effectiveness of the airways system. With the aid of airborne computers, pilots were able to set up phantom ground stations, with airways connecting them, thereby freeing air traffic control of its dependence upon airways that pass directly over ground stations. This could produce expansion of airways without need for more ground stations.

SOME MAJOR JET AGE TRENDS

PASSENGER AND FREIGHT YIELDS CONTINUE TO DECLINE

One of the most important trends of the Civil Jet Age has been the downward trend of costs to the airline consumer. Whether measured by fares (for passengers) or rates (for shippers), the costs are lower now than they were in 1958.

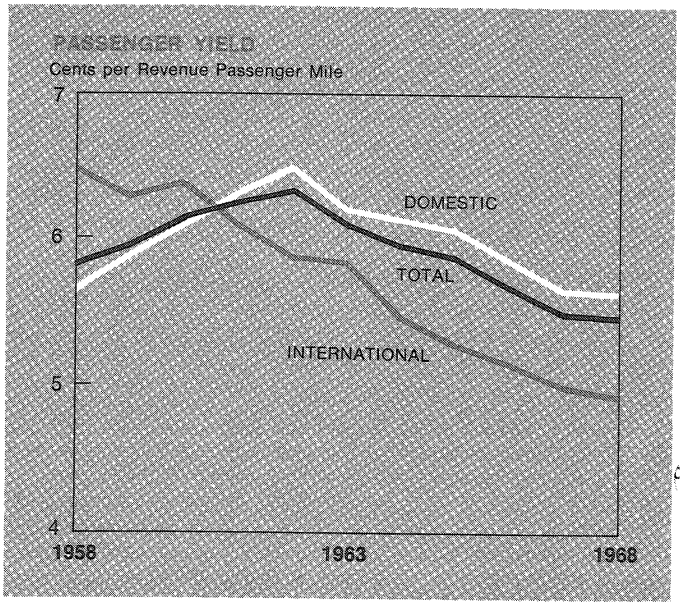
Airline fares are measured by yield, or the average revenue per passenger mile. In 1962, after several fare increases during the early years of the jet era, the yield rose to a high of 6.31 cents. Then, as airlines introduced a series of promotional fares and, as more and more lower-priced coach seats were added to the fleets, the yield began to tumble to its present level of 5.47 cents. In 1958, the yield was 5.80 cents, 5.7 per cent higher than today.

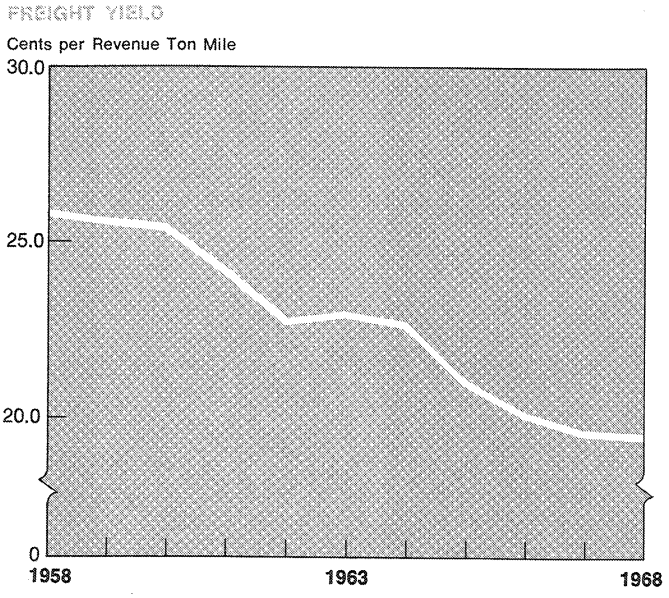
That air transport continues to be a better and better buy can be seen in the example of a secretary's wages in relation to air transport's price level. In 1958, a typical secretary would have been able to fly 1,460 miles on a week's salary. Today, she could fly 2,100 miles on a week's salary.

Air freight yields have also declined substantially. The average charge per ton mile in 1958 was 25.78 cents. Today the average is only 19.51 cents per ton mile of service.

An important factor in the airlines' ability to lower costs to the nation's shippers has been the efficiency of the jet freighter, introduced into service in 1963. The major buildup in jet freighter capacity has occurred within the past three years. In early 1966 the airlines were operating 55 aircraft capable of all-cargo service. By early 1969, the total was 312, including many quick change passenger/cargo jets that can be used in passenger service during the day and in all-cargo service throughout the night.

During the past two years, shippers using the airlines' container program realized additional savings averaging 10 per cent through the program's containerization discount. On shipments of high density the savings sometimes amounted to 30 per cent or more.





JET-POWERED TRAFFIC NEARS 100 PER CENT

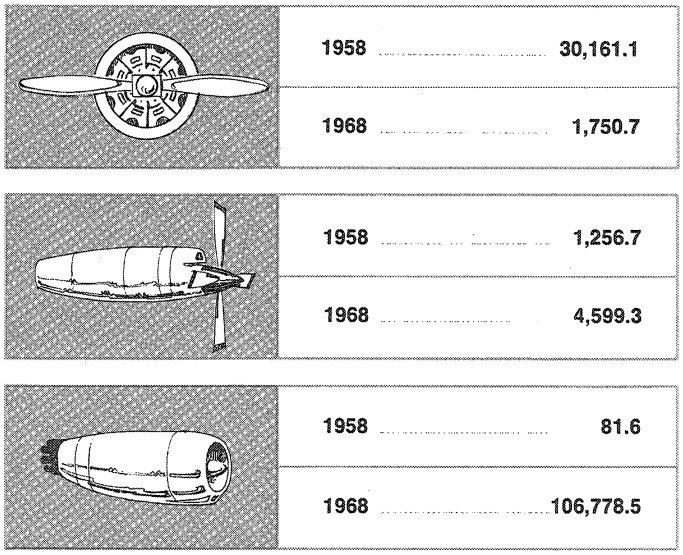
In the first full year of the Civil Jet Age, 1959, less than 20 per cent of the 36 billion revenue passenger miles were performed in pure jet aircraft. The number of pure jets in the airline fleet numbered only 84. As the public responded with enthusiasm to this new kind of air travel, the airlines accelerated their purchases of new jets.

Last year, the airlines' 1,700 jets accounted for 94.4 per cent of the total 114 billion revenue passenger miles operated by the airlines. 1968's totals represented an increase of 16.3 per cent over the 92 billion revenue passenger miles in 1967.

The trend toward all-jet operations was heightened in 1968 by the addition of 466 new pure jets valued at $2.56 billion. The balance of the new planes were turboprops used for shorter haul operations.

TREND TO ALL JET SERVICE

Millions of RPM's



AIRLINES LEAD IN INTERCITY PUBLIC TRANSPORT

The ten-year growth trend of the U.S. scheduled airlines takes an even more dramatic turn when it is compared to other forms of public transportation over the same period.

In 1958, the airlines accounted for only 39 per cent of the passenger miles performed in public, intercity transportation. The market was dominated by the railroads and the busses.

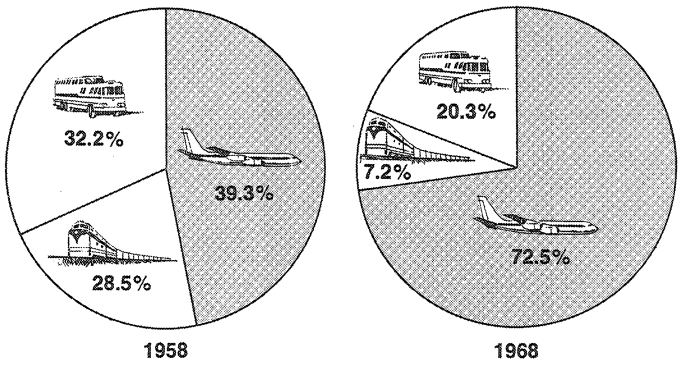
By the end of 1968, however, the airlines had raised their share to more than 72 per cent. Since 1963, the airlines have performed more intercity passenger miles each year than the railroads and the busses combined.

One of the most interesting trends of the past decade has been the ability of the airlines to outpace the private automobile, as measured by rates of growth. While the private car is still the most popular form of intercity travel, the airlines are beginning to make a significant dent in the market.

Since 1958, the private auto has increased its passenger mileage by a healthy 60 per cent but the airlines have increased at a far healthier rate of 245 per cent.

DISTRIBUTION OF INTERCITY REVENUE PASSENGER MILES

Per Cent



Back in 1958, the airlines accounted for a tiny 4 per cent of the airline/private auto intercity transportation market. Today, the airlines account for 9 per cent of this market and the trend line continues upward. With the addition of the new wide-bodied jets, the airlines can be expected to increase their share of the private, as well as the public, transportation market.

PROFITS START TO TURN DOWN IN 1967

The jet age has been a period of mixed profitability for the airline industry. The high start-up costs of the first few years of the jets, combined with great increases in capacity caused by the size of the aircraft as well as their greater speed, slowed earnings during the first few years. In 1958, the first year of commercial jet service, the industry earned $50.4 million on revenues of $2.24 billion and posted a rate of return on total investment of 5.5 per cent. In the third full year of jet operation, 1961, the industry lost some $38 million despite the fact that revenues were over $3 billion.

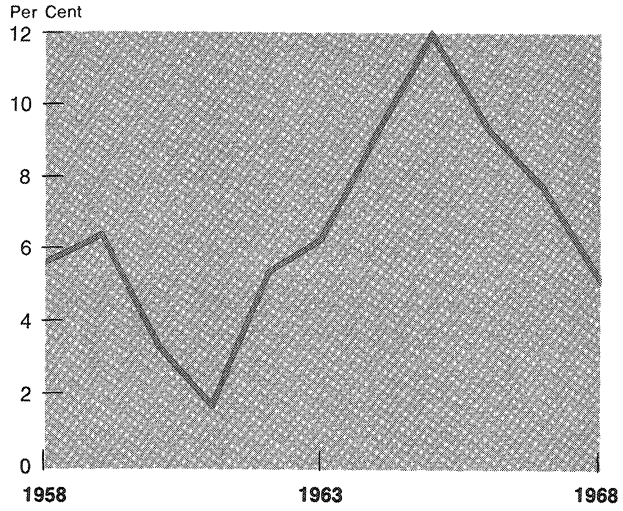
After 1963, as public acceptance of the greater speed and comfort of the jets mounted, airline industry earnings made a steady recovery and reached their peak in 1965 and 1966. In 1965, the airlines earned $367 million on revenues of $5 billion and had a rate of return on total investment of 12.0 per cent.

In 1967, a new trend began to have it effect on industry financial performance. A major part of the industry had converted almost fully to jet operation and the initial savings in operating costs and efficiency had begun to level out. At the same time, ground handling, material and labor costs were all taking a bigger and bigger bite out of revenues. Another growing cost item was interest expense. The industry was beginning to commit itself to purchasing a whole new generation of stretched and wide-bodied jets, as well as the supersonic transports.

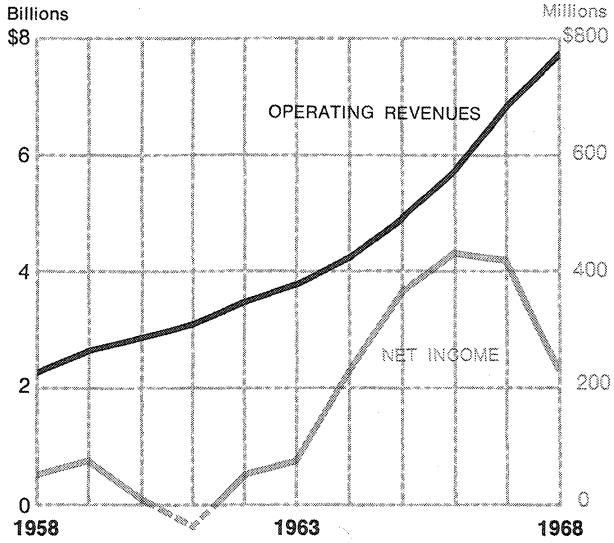
All of these factors began to have their effect in 1967 and earnings showed a decline of 2.8 per cent from 1966's high to $415 million and rate of return was down to 7.6 per cent. In 1968, however, these trends accelerated and caused profits to drop a full 48.0 per cent from 1967, despite the fact that revenues were up 13.2 per cent. Rate of return on total investment fell to 5.0 per cent, well below the 10.5 per cent the CAB considers a reasonable rate of return.

As 1968 advanced, it became increasingly clear that the airline industry would have to have some relief in the form of higher fares. An increase of 3.8 per cent was granted by the Civil Aeronautics Board early this year.

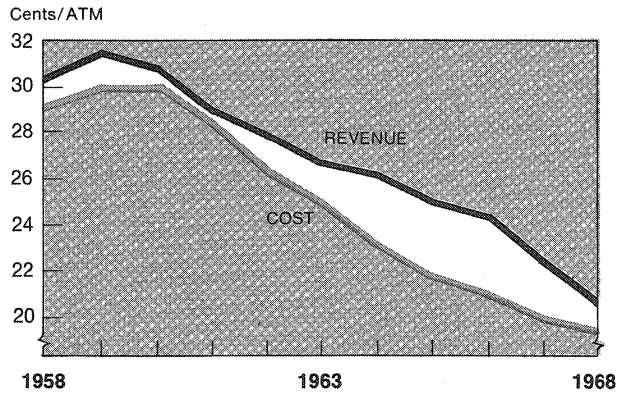
RATE OF RETURN ON INVESTMENT



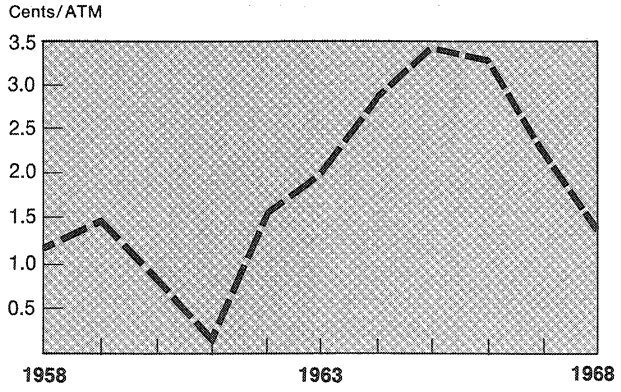
OPERATING REVENUES AND NET INCOME



REVENUE AND COST
PER AVAILABLE TON MILE



PROFIT MARGIN
PER AVAILABLE TON MILE



UNIT COSTS AND REVENUES CONVERGE; PROFIT MARGIN FALLS

1966 was the first year of the jet age when operating expenses rose at a higher rate during the year than operating revenues. In 1967, operating expenses increased 23.9 per cent while operating revenues increased by only 19.5 per cent. In 1968, the trend became even more pronounced as operating expenses rose at a pace of 17.7 per cent and operating revenues increased by 13.2 per cent.

The underlying unit relationships of the first decade of jet operations are revealing. Unit revenues, expenses, and operating profits tell the story of the efficiency and cost savings that the jet engine brought to airline industry operations.

Revenue per RTM increased during the 1958-1960 period, the result of several fare increases during the first two years of jet operations. Beginning in 1961, however, unit revenue began to decline at an increasing rate to its present 1968 level of 42.91 cents per RTM. These reductions in unit revenue have been caused by a decrease in yields due to promotional fares and an increase in coach traffic as a per cent of total traffic. Also the more rapid growth of air cargo returns a substantially lower yield per ton mile than passenger operations. Yield is defined as revenue per revenue passenger mile or freight ton mile in cents.

It was not until the advent of the jet aircraft that the industry was able to bring about appreciable reductions in unit costs. Beginning in 1962, unit costs began to decline sharply as these more efficient and productive jet aircraft were put into service. This trend continued until 1967 when it began to slow down considerably in the face of increasing requirements for aircraft, facilities, and personnel. Thus in 1967, unit costs barely declined and, in 1968, the six-year trend of decreasing unit costs came to an end. The more rapid decline in unit revenue than in unit cost has reduced the operating profit margin from 6.8 cents in 1965 to 2.9 cents in 1968.

It is useful to view the industry's cost performance from the standpoint of available ton miles since operating costs are more directly related to the production of capacity rather than the amount of space actually sold. On this basis, unit revenues and costs both began to decline in 1960. The margin between revenue and cost began to decline from its high of 3.4 cents per ATM in 1965 to its present level of 1.4 cents per ATM.

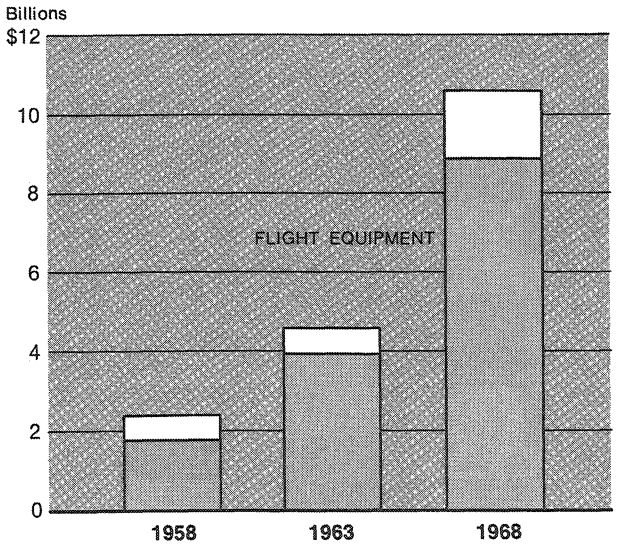
JET AGE INVESTMENT CONTINUES TO GROW

During 1968, capital investment of the scheduled airline industry exceeded the $10 billion mark for the first time in the industry's history. In 1968, the airlines added $2.56 billion of new flight equipment. Capital expenditures of the scheduled airline industry during the period of 1966-1968 amounted to $4.0 billion or an amount more than their total capital expenditures during the preceding eight-year period (1958-1965).

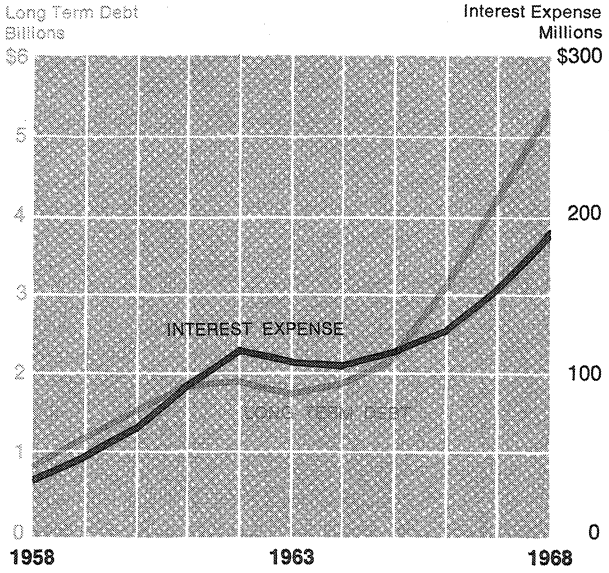
It is estimated that the projected capital expenditures for the airlines will be in excess of $10 billion for the period 1968-1975. In addition to the higher levels of capital expenditures for aircraft, ground support equipment is requiring an increasing share of the total capital needs of the airlines. More than $2.5 billion will be spent at airports for ground support equipment such as mechanized baggage facilities, advanced cargo handling equipment and other unique facilities required to introduce new large capacity aircraft into service.

The conversion of airline fleets from piston to jet aircraft which began ten years ago has necessarily been accompanied by an unprecedented growth of investment by the industry. Invested capital—the sum of long term debt, capital stock, and retained earnings—reached a total of $8.4 billion in 1968, or more than four times the $1.7 billion of invested capital in 1958.

GROSS INVESTMENT IN PROPERTY AND EQUIPMENT



INTEREST EXPENSE AND LONG TERM DEBT



The growth of long term debt as compared to stockholders' equity during the ten year period of the jet aircraft has been particularly significant. In 1958, long term debt was about $100 million less than stockholders' equity. However, by 1959, long term debt exceeded stockholders' equity for the first time and has consistently been of greater magnitude than stockholders' equity to the present day. Long term debt has grown from $803 million in 1958 to $5.25 billion in 1968, or more than a five-fold increase. During the same period, stockholders' equity increased from about $900 million in 1958 to $3.13 billion in 1968—slightly more than a tripling in the ten-year period.

The industry's increasing reliance upon long term debt as a method of financing the new equipment requirements has resulted in rapidly escalating interest expenditures. Interest expense in 1968 amounted to $274 million—more than eight times the amount of interest expense in 1958.

The increase in interest expense has accelerated in recent years. In 1968, when the interest came to $274 million, it represented an increase of 82.6 per cent over the year before. From 1958 to 1963, the average annual increase in interest expense was 26.9 per cent.

AIRCRAFT ON ORDER

AS OF JUNE 1, 1969

Manufacturer	Model	Total	For Delivery In 1969	1970	1971	1972 & beyond
Boeing:	B-707	60	59	1	—	—
	B-727	102	81	21	—	—
	B-737	59	59	—	—	—
	B-747	117	9	66	38	4
British Aircraft Corp.:	BAC-111	5	5	—	—	—
Douglas:	DC-8-63	63	59	4	—	—
	DC-9	62	55	7	—	—
	DC-10	69	—	—	10	59
Lockheed:	Tristar 1011	79	—	—	9	70
Nihon:	YS-11	12	10	2	—	—
Total		628	337	101	57	133

The aircraft on order figures for 1969 include 180 jet aircraft that have already been delivered during the first five months of the year. These aircraft are valued at $1.29 billion.

In addition to these 628 subsonic jets that the airlines have on firm order, the airlines also have placed orders for 38 British-French supersonic Concordes with an approximate value of $760 million. The airlines also have reserved 59 delivery positions for the United States SST, the Boeing 2707, and have already invested more than $70 million in advance payments for these aircraft. The total cost of the Boeing SST's is more than $2 billion.

Thus the airline equipment program for the new generation of subsonic superjets and the supersonic jets totals more than $10.5 billion over the next decade.

LEADS AND LAGS BETWEEN TRAFFIC AND CAPACITY

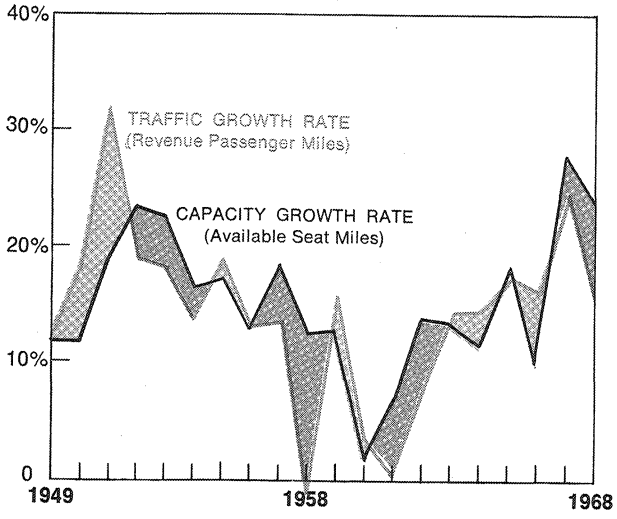
The history of air travel in the United States over the past two decades has been characterized by alternating leads and lags—for limited periods of varying length—between the rate of traffic growth and the rate of capacity expansion.

During the past two years, the rate of increase in domestic trunkline traffic has been exceeded by expansion in the amount of capacity offered. In three of the four prior years, the reverse was true, and before that the balance seesawed back and forth as part of a continual process of adaptation between the public demand for air transport service and the capacity supplied by the industry.

To understand this process, it is essential to appreciate the extraordinarily dynamic nature of air traffic growth in the past 20 years, far outrunning the growth of the national economy generally. In the first half of this period, 1948-1958, for example, domestic trunk traffic approximately quadrupled, while the U.S. population increased 19 per cent, disposable personal income in constant dollars went up 39 per cent, the physical volume of gross national product, 38 per cent, and industrial production, 37 per cent.

Over the past ten years, 1958-1968, the fundamental difference in growth rates has remained great, with domestic trunk traffic more than trebling while the total population was increasing only 16 per cent, gross national product 58 per cent, disposable personal income 56 per cent, and industrial production, 76 per cent.

COMPARISON OF YEAR-TO-YEAR GROWTH RATES OF CAPACITY AND TRAFFIC
Domestic Trunk Operations, 1949-1968



The same essential pattern is evident in the record of the past 5 years alone: traffic has more than doubled, while population has grown modestly, and the national economic indicators have gone up between a third and a fourth.

It is clear that the tremendous expansion of air traffic, both before and after the advent of jets, can not be attributed primarily to economic growth. The steadily increasing volume of air traffic per capita, per dollar of income, or per unit of national output, shows that a far more powerful influence upon the demand for air transport has been the increased propensity of the public to travel by air, both for business and for personal reasons.

This increased propensity is to a large extent the result of uninterrupted advances in the quantity and quality of air transport service available to the public and the vigorous efforts of the airlines to develop as fully as possible the market potential for air travel.

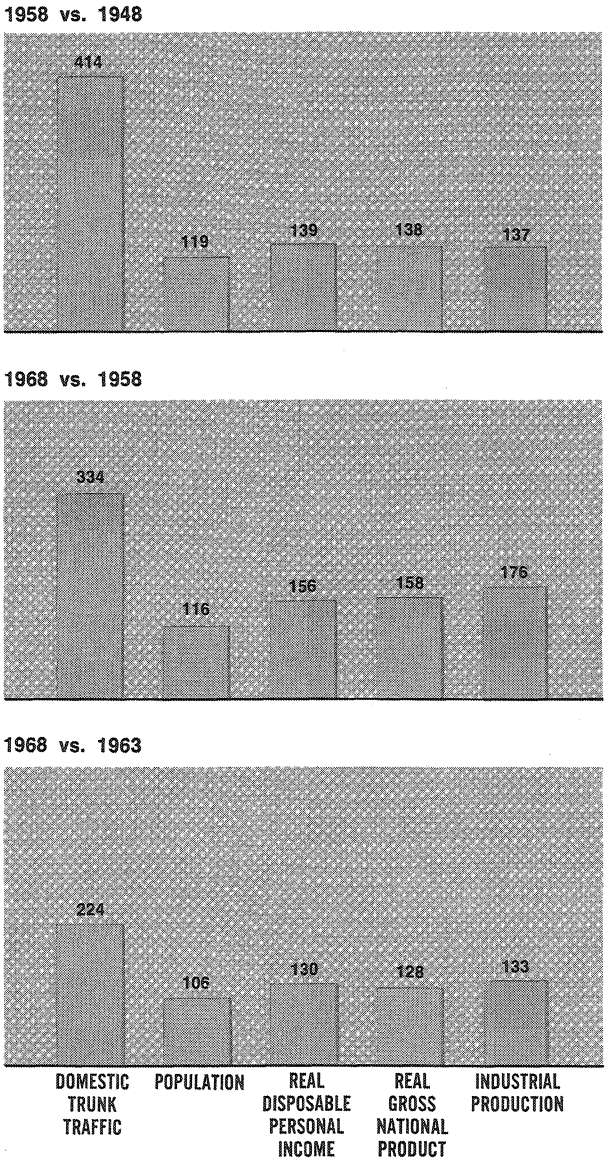
Public Interest Served By Competition

The conversion of this market potential into actual passenger traffic has been immensely facilitated by the strong incentives of the airlines to create, not merely to respond to, demand. As envisaged by the statutory and regulatory scheme, the prod of effective competition among carriers to maintain and expand their market share has helped to produce an environment of business rivalry conducive to a high degree of venturesomeness, efficency and ceaseless striving, through improved service, to satisfy the needs of the traveling public.

It is in the basic nature of the product sold by the airlines that the amount and nature of capacity supplied to the public should itself be a form of the vigorous competition which is required in the public interest. Convenient availability of air service in a given market is often of decisive competitive importance.

In view of the long and growing interval between the ordering of new equipment and its delivery, decisions concerning capacity expansion must be undertaken despite an unavoidable degree of imprecision as to the level of future

AIR TRAFFIC GROWTH COMPARED WITH NATIONAL ECONOMIC GROWTH



the actual total of U.S. scheduled passenger traffic in fiscal year 1968 was 106.3 billion revenue passenger miles, whereas the traffic volume forecast for that period only three years or so earlier was 87.1 billion passenger miles; for fiscal year 1967, actual traffic was 86.3 billion, as against the earlier forecast of 70.5 billion for that year; and for the fiscal year 1966, the comparable figures were actual traffic of 76.4 billion passenger miles, against the earlier forecast of 56.4 billion. In every case, actual traffic was also well above the FAA forecast made only two years or so earlier. If airline expansion in recent years had been limited to the forecast rate of traffic growth, air transport capacity would have fallen far short of meeting the needs of the traveling public.

Table A

FAA TRAFFIC FORECASTS COMPARED WITH ACTUAL

Total Scheduled Airline Industry

(Billions of Revenue Passenger Miles)

	Date of Forecast						
Forecast Year*	Oct. 1961	Nov. 1962	Dec. 1963	Dec. 1964	Dec. 1965	Jan. 1967	Actual
1964	48.5	49.1	→				54.2
1965		52.4	53.0	→			62.6
1966			56.4	65.8	→		76.4
1967				70.5	79.7	→	86.3
1968					87.1	98.4	106.3

* Fiscal year ending June 30

demand for air travel. The history of air transport over the past two decades shows a pattern, repeated over and over again, of the actual volume of industry traffic significantly exceeding the most carefully drawn forecasts, both government and private.

For example, the Federal Aviation Administration has annually released a set of traffic forecasts for ensuing years. In each of the past few years, actual traffic has been substantially above the earlier forecasts for that year. Thus,

Given inherent uncertainties of traffic prediction even for relatively short periods ahead, expansion of capacity should not be expected to proceed in perfect rhythm with demand. Leads and lags in the accommodation of the one to the other are inevitable, and even desirable. The record shows that in the real world of airline industry competition, a normalizing force is constantly at work to insure an underlying pattern of harmony between capacity and demand, with concomitant benefits to the "convenience and necessity" of the traveling public.

FURTHER GAINS IN AIR TRAVEL VALUE

The concept of "air travel value" relates to the combined effect of changes in the price and quality of the transport service supplied by the airline industry to the traveling public. It takes into account the average per-mile fare paid by air travelers, the purchasing power of the consumer's dollar, and the average speed of the aircraft employed in passenger service.

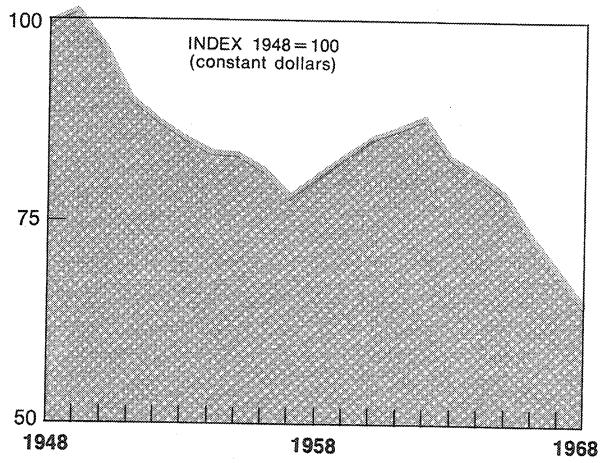
Expressed in dollars of constant purchasing power, average fare per passenger mile of domestic trunkline travel declined about 5 per cent during the year 1968. Over the last 10 years, the per-mile fare average in terms of constant dollars has dropped more than 20 per cent, and since 1948 the decline has been about 35 per cent.

Throughout the post-war period, with successive introductions of more and more advanced types of aircraft, there has been an uninterrupted improvement in the quality of air service. The jet transport service by which most airline passengers travel today is characterized by greater speed and by corollary improvements in comfort and convenience than in earlier years. The continuing conversion of aircraft fleets to jet operations, which is approaching completion, resulted in another increase in average speed per passenger mile in 1968. The average last year for total domestic trunk traffic weighted by maximum cruising speed of the aircraft used was more than 80 per cent higher than ten years ago, and 2.4 times the corresponding speed experienced in 1948.

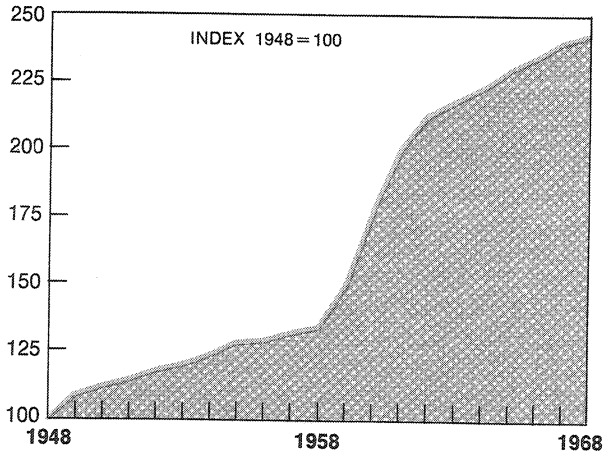
The index of air travel value presents in a single measure the effects of changes in constant-dollar average fares and in average speed per passenger mile. One form of this measure, the quality-fare index of air travel value, focuses attention upon the increased speed of transport service made available by the industry per dollar of constant purchasing power spent by travelers per passenger mile. This index went up 6 per cent last year and is now considerably more than twice as high as it was ten years ago.

In reciprocal form, the fare-quality index of air travel value would reveal that the per-mile average fare in constant dollars expended by passengers last year in relation to improved aircraft speed was only about 45 per cent of the corresponding average ten years earlier. In 1968, this per-mile average was little more than one-fourth of what it was 20 years ago.

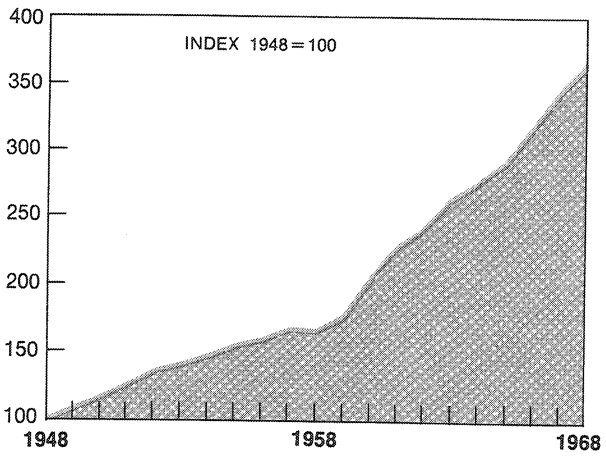
AVERAGE FARE PER PASSENGER MILE



AVERAGE SPEED PER PASSENGER MILE



QUALITY-FARE INDEX OF AIR TRAVEL VALUE



TODAY'S JETS SIGNIFICANTLY IMPROVED OVER 1958 MODELS

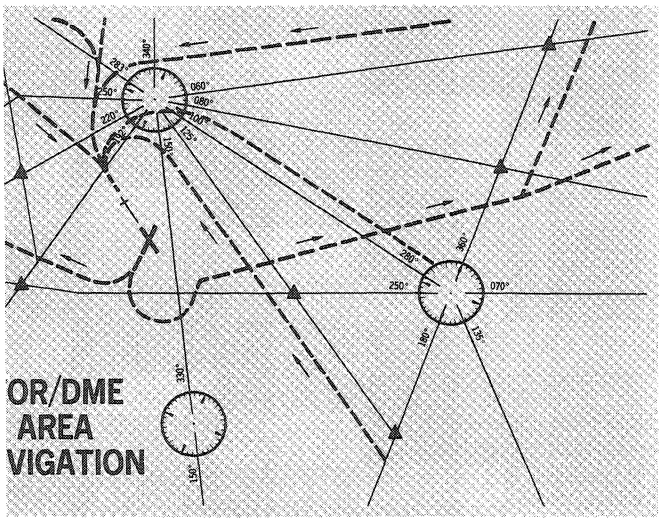
Today's jet is full of equipment that is either better than that carried in the earliest jets, or wasn't even available when the jet age began. Some of this equipment is there only for emergencies, like the self-inflating escape chutes that have replaced the earlier self-held chutes, permitting a reduction of the emergency evacuation time airlines must demonstrate from 120 to 90 seconds. The most impressive airborne equipment changes have been made in the cockpit. Take navigation, for example: the earliest transatlantic jets had to rely on radio signals from shore-based transmitting stations, supplemented by occasional use of the age-old seagoing practice of celestial navigation. Today's over-ocean jets use self-contained doppler navigation—a device that bounces electronic waves off the surface of the earth or ocean and measures speed by the apparent frequency shift in the reflected signal. Just around the corner is an even better self-contained device—the inertial navigator, which is essentially a very precise gyroscope. These devices free the pilot of dependence on the number, location, and receivability of ground stations.

Although radar was used by air traffic controllers to follow aircraft movements before the jet age, the early jets added a device that replied when interrogated by FAA's ground radar. It had a limited number of codes, 64 in all, that could be used to classify aircraft by assigning a code to a function—such as climbing, or descending. This radar beacon also had the capability of brightening and enlarging the plane's radar target on the controller's scope, when the pilot pushed a button at the controller's request. With this controllers could identify targets at will by requesting the pilot to push his "ident" button.

On jets entering service today, this radar beacon equipment has been improved to give the controller more information and in better form. Today's radar beacon has 4096 codes and two modes, making possible assigning a specific code to each airplane in the air, as well as transmitting the airplane's altitude to the controller, along with identity. This information can then be displayed in name-tag form beside the airplane's target on the controller's radar scope.

Beside the new jets that come already equipped with this capability, aircraft already in the fleet are being retrofitted with units to upgrade their beacon capabilities. Over 70 per cent of the airline fleet will have both altitude and identity-reporting capability by 1971 and virtually the entire fleet will have identity-reporting.

Great changes have also taken place in the equipment used to guide airlines for approach and landing. Here, the change is more in the precision and reliability of the equipment, rather than from the wholesale addition of formerly unavailable devices. In the process of building the so-called "all-weather landing" program, the airlines have introduced better flight director instruments, better auto-pilots, more sophisticated instruments and failure warning systems. These were added to the airplane to increase the precision of approach and landing to the point where, with appropriate ground aids, the airplane could descend with greater precision to lower minimum decision heights.



AIRWAYS NAVIGATION yesterday, today and tomorrow is shown on this chart. Early jets carried a receiver that would give pilot bearings to or from ground stations (circular compass plots on chart). These are VOR (Very High Frequency Omnidirectional Range) stations. Today's jet airliner has distance measuring equipment (DME) that tells the pilot how many miles he is from a VOR/DME ground station. Thus, at any point along an airway, (thin black line) a pilot with distance and bearing information knows precisely where he is. Tests of "area navigation" hold promise of being able to set up new airways (dashed lines) without having to add more ground stations.

AIRPORTS AND AIRWAYS—URGENT NATIONAL PROBLEMS

The year 1968 was one which dramatically revealed the full extent of the inadequacy of the nation's airports and airways systems. The inadequacies were brought home by the unprecedented and well-publicized air traffic congestion crisis of the summer of 1968.

The congestion crisis of 1968 underscored the fact that the nation's airports and airways systems are in immediate need of major modernization programs—not only to keep pace with today's traffic, but to prepare for the trebling of traffic anticipated for the second decade of the jet age.

AIRPORTS

The extensive network of public airports constitutes a vital and integral part of the national air transportation system. While this system of airports is unmatched anywhere in the world, it is in serious danger of breaking down in the near future under the strain of continually increasing traffic growth.

There is little doubt that financing is one of the major constraints to the vitally needed modernization and expansion of the nation's airport system. The Federal Aviation Administration has estimated that the capital costs of such improvements would total somewhere between $6 and $8 billion by 1975. For the more immediate needs, FAA estimates that $3 billion should be spent by 1971.

In previous years, airport financial needs have been met through local bond issues and, to a much lesser extent, through Federal grants-in-aid of the Federal Aid to Airports Program. Although this latter source of financing has contributed to the development of public airports, appropriations have never exceeded more than $75 million in any one year.

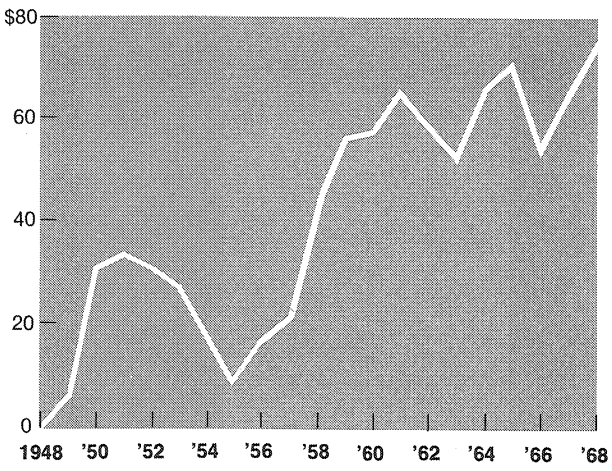
Financing at major airports is being accomplished to an increasing extent by revenue bond financing. These bonds are secured solely by the future revenues of the airport and are therefore based upon income generated from charges to airport users such as landing fees, rental fees, etc. Today about five out of six major airport development programs depend on funds raised by these municipally-issued airport revenue bonds. Thus the financial burden which the airlines have assumed as they support more and more of the debt service payments to municipal airports has become substantial. An illustration of this trend is the rapid growth in the amount of landing fees paid by the scheduled airlines.

The scheduled airline industry is actively pursuing the goal of creating the financial resources necessary to adequately satisfy airport capital requirements. Within the industry itself, a recent survey of 18 airlines indicates that these airlines will spend more than $2.5 billion by 1975 for airport facility construction and improvements.

While these airline expenditures will represent a significant portion of anticipated capital requirements, it is obvious that additional funds will be required. To generate these funds, the airlines have proposed the creation of an Airport Development Trust Fund.

This fund would be maintained from the proceeds of a 2 per cent tax on domestic airline passenger tickets and from a fee of $2 per trip levied on passengers departing from the United States for foreign points. The funds collected in this fashion would be used to help amortize local airport bond obligations through the payment of annual debt service. It is estimated that this approach would permit the issuance of over $3 billion in bonds by the end of the fifth year of the program. These funds, coupled with other airport-generated revenue, would provide a substantial portion of the funding required to meet airport capital requirements in the second decade of the jet age.

FEDERAL AID TO AIRPORT APPROPRIATIONS



NEXT DECADE

AIRWAYS

The need for an accelerated program of airways improvement is equally as vital as the need for airport improvements and modernization. If new aircraft soon to come into service are to be operated safely and efficiently, new airports, new runways, and expanded air traffic control capacity must be provided.

Last year's congestion crisis was merely a symptom of the underlying problem—a basic inadequacy in system capacity. The airport capacity restrictions which will be imposed at five major airports in June represent an unprecedented emergency solution to this problem. The airlines, while accomplishing the complex task of adjusting their flight schedules to meet the government-imposed flight restrictions, believe that this approach can only affect public service adversely and stunt the overall growth of air transportation.

The congestion problem can only be solved by prompt and vigorous action to improve both airports and airways. From the standpoint of the nation's airways system, this means expeditious installation of new facilities, hiring and training of new controllers, and automation of air traffic control functions.

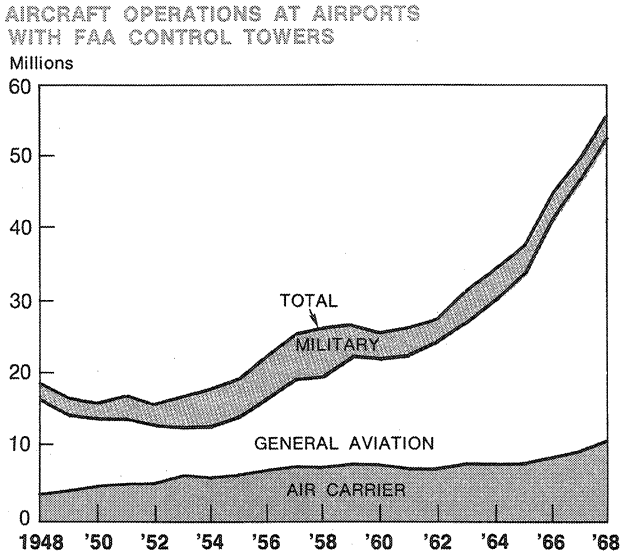
One of the reasons given for the present inability of facilities to cope with the demand for air traffic control service is that aircraft operations have increased more rapidly than expected. FAA's annual six-year forecasts for aircraft operations at airports with FAA control towers are indicative of the problem. Only one FAA forecast since 1959, the forecast made in that year, has proven to be higher than the number of actual aircraft operations. From that year forward, each successive forecast was consistently below the actual achieved levels of operations.

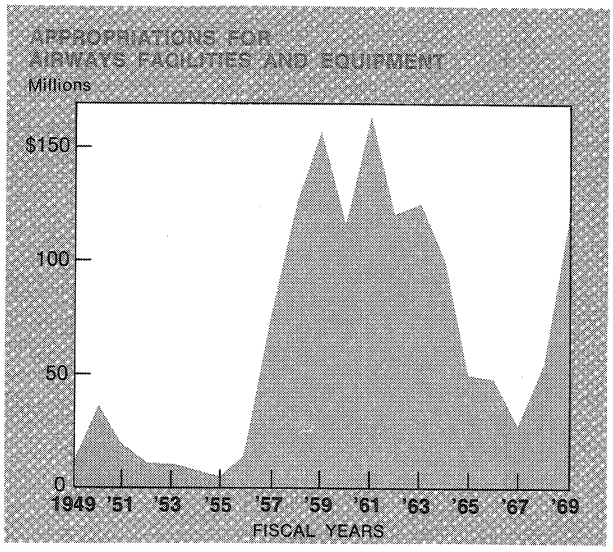
But conservative forecasts are only symptoms, and not real causes of the underlying problem. The true cause of today's inadequate capacity is declining government expenditures for new facilities, for air traffic controllers, and for research and development in air traffic control. Thus the existing problem of severe undercapacity has resulted, in part, from declining appropriations in the face of rising demand and forecasts which fell below actual experience.

An outstanding characteristic of airways programs in the past has been an inconsistent level of funding. It is because of previous reductions in funding that a greater than normal level of spending is required immediately to close the existing gap between demand and capacity.

The Federal government, as proprietor of the airways system, has been spending about $600 million annually on the system. The airlines have recommended to Congress that FAA's budget for the airways system be increased by about $150 million annually for the next five years.

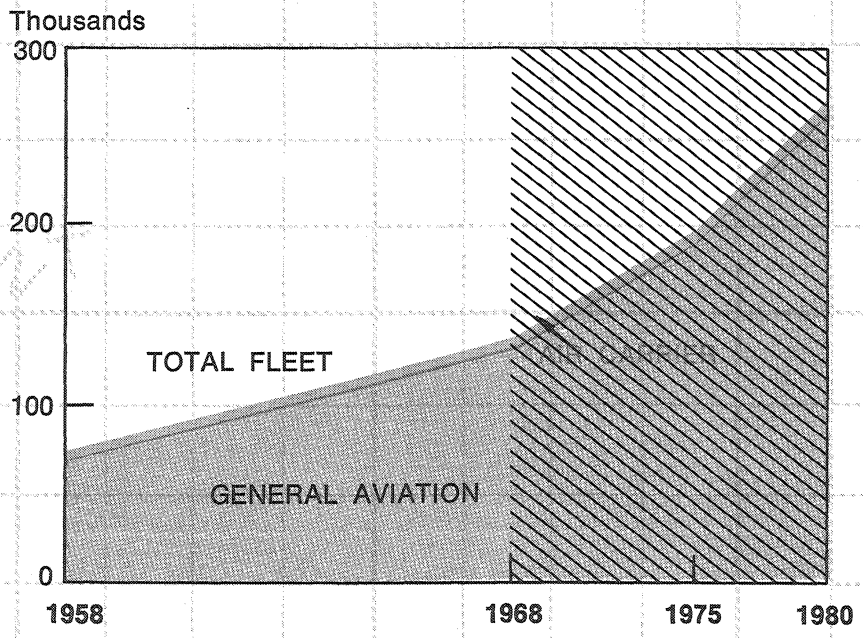
The airlines endorse the principle that users of the system should contribute to its support. The airlines generate some $250 million annually for the system through a 5 per cent ticket tax on its passengers, just about equal to the airline share of the costs.



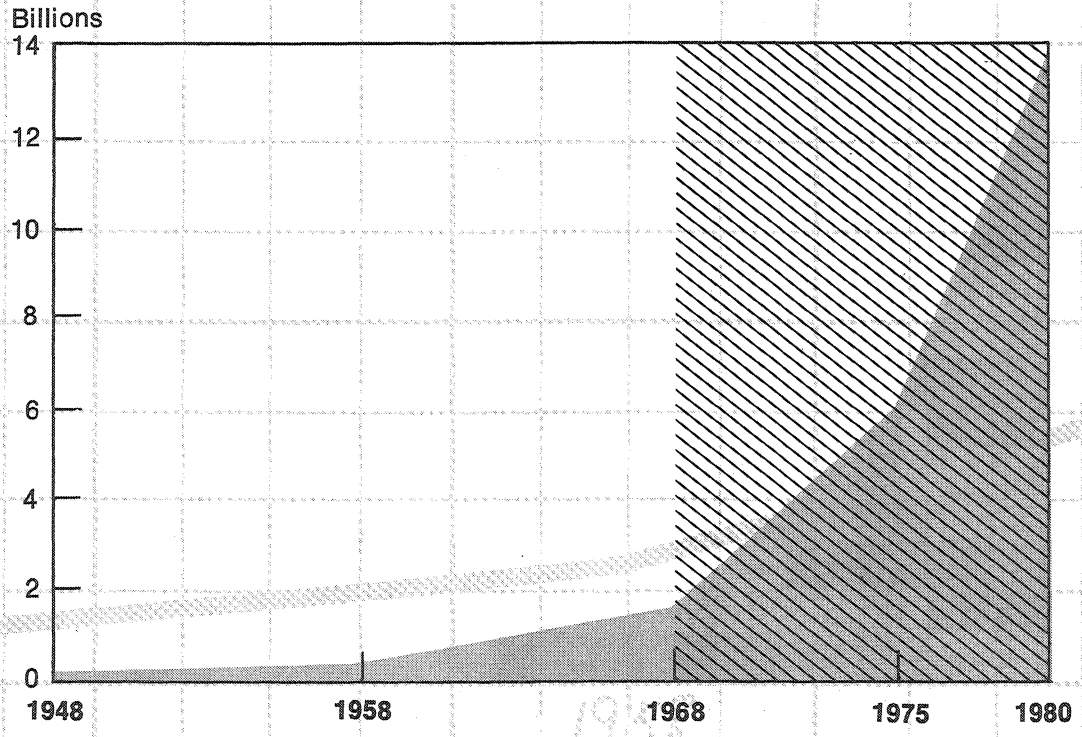


A LOOK AHEAD TO THE NEXT DECADE OF JET TRANS

FORECAST OF AIRCRAFT FLEET

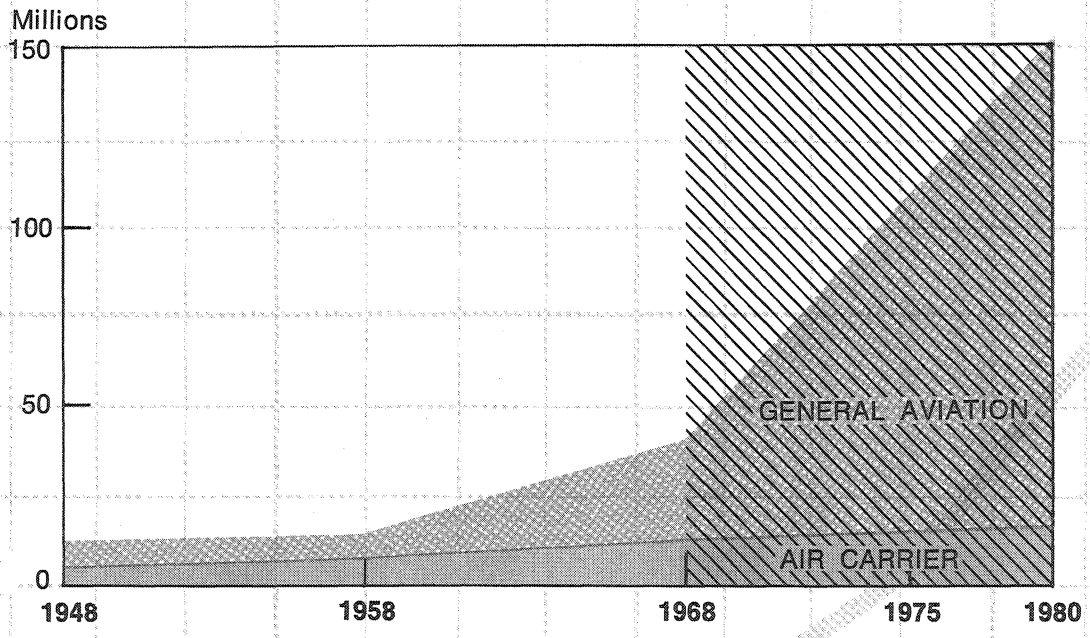


FORECAST OF DOMESTIC FREIGHT TON MILES
U.S. Scheduled Airlines

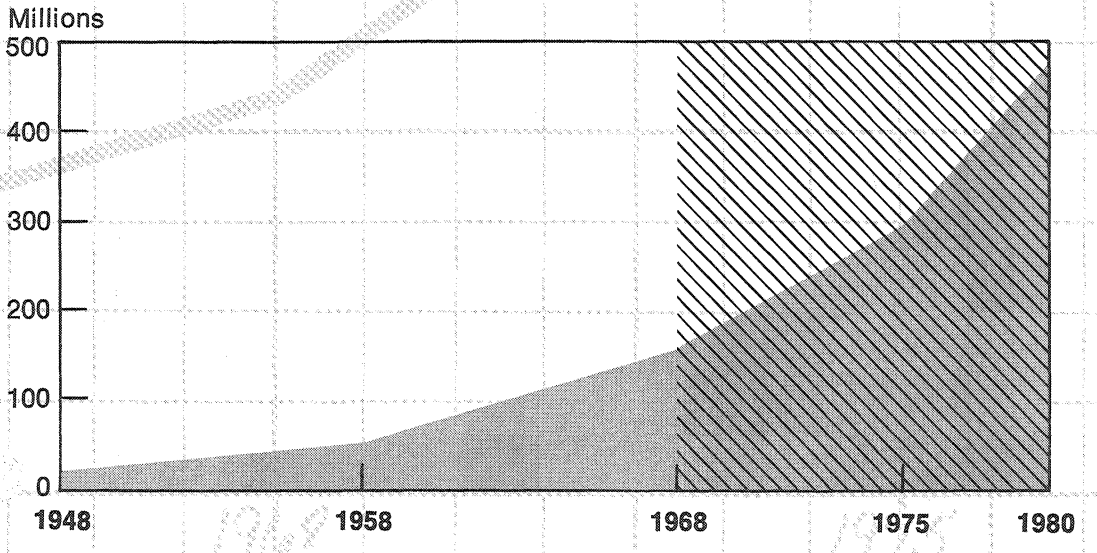


SOURCES: Federal Aviation Administration
Utility Airplane Council of Aerospace Industries Association

FORECAST OF AIRCRAFT OPERATIONS AT
AIRPORTS WITH FAA CONTROL TOWERS



FORECAST OF PASSENGER ENPLANEMENTS
U.S. Scheduled Airlines



TRAFFIC AND SERVICE

In Millions Except Helicopter

	Available Ton Miles Flown	Revenue Ton Miles Flown	Ton Mile Load Factor (%)	Available Seat Miles Flown	Revenue Passenger Miles Flown	Passenger Load Factor (%)	Revenue Plane Miles Flown
TOTAL INDUSTRY							
1958	**7,326.4**	**4,120.2**	**56.2**	**53,115.2**	**31,499.4**	**59.3**	**973.0**
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	19,661.0	9,895.0	50.3	124,319.9	68,676.5	55.2	1,353.5
1966	23,502.5	12,440.9	52.9	137,844.5	79,889.3	58.0	1,482.3
1967	30,785.1	15,684.3	50.9	174,818.5	98,746.6	56.5	1,833.6
1968	**37,222.5**	**18,116.2**	**48.7**	**216,445.8**	**113,958.3**	**52.6**	**2,146.0**
Domestic Trunk Airlines							
1958	**5,190.1**	**2,750.9**	**53.0**	**40,695.0**	**24,435.7**	**60.0**	**700.6**
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
1966	14,403.8	7,083.0	49.2	97,174.7	56,802.8	58.5	995.7
1967	18,769.4	8,970.0	47.8	124,141.6	70,990.1	57.2	1,258.3
1968	**23,097.8**	**10,321.3**	**44.7**	**153,864.6**	**81,611.8**	**53.0**	**1,486.5**
Local Service Airlines							
1958	**185.4**	**86.6**	**46.7**	**1,793.5**	**820.2**	**45.7**	**72.3**
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	585.2	281.0	48.0	5,545.7	2,621.2	47.3	145.2
1966	758.2	371.1	48.9	6,908.1	3,467.5	50.2	165.1
1967	1,024.1	442.4	43.2	8,862.4	4,114.3	46.4	185.0
1968	**1,469.8**	**593.6**	**40.4**	**12,153.6**	**5,489.2**	**45.2**	**211.2**
Intra-Hawaiian Airlines							
1958	**18.4**	**11.3**	**61.4**	**143.1**	**82.7**	**57.8**	**4.4**
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	61.0	6.7
1966	40.4	23.2	57.4	387.1	226.7	58.6	7.2
1967	49.2	27.8	56.5	463.7	274.1	59.1	7.7
1968	**60.6**	**29.6**	**48.8**	**580.4**	**301.4**	**51.9**	**8.1**

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 totals because of rounding; Avalon Air Transport figures are included in industry totals for 1963; Aspen Airways figures are included in industry totals for 1967 and 1968.

U. S. Scheduled Airline Industry

	Available Ton Miles Flown	Revenue Ton Miles Flown	Ton Mile Load Factor (%)	Available Seat Miles Flown	Revenue Passenger Miles Flown	Passenger Load Factor (%)	Revenue Plane Miles Flown
Helicopter Airlines (in thousands)							
1958	**1,498**	**594**	**39.7**	**11,419**	**4,885**	**42.8**	**1,675**
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
1966	5,157	2,574	49.9	51,992	25,420	48.9	2,241
1967	6,345	2,970	46.8	62,041	29,670	47.8	2,660
1968	**6,146**	**2,492**	**40.5**	**59,923**	**24,856**	**41.5**	**2,547**
Intra-Alaskan Airlines							
1958	**16.4**	**9.5**	**57.9**	**80.5**	**32.1**	**39.9**	**5.3**
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	149.1	65.2	43.8	7.9
1966	31.4	19.2	61.1	147.0	68.4	46.6	8.0
1967	33.2	19.7	59.3	168.1	78.1	46.5	8.5
1968	**34.9**	**19.9**	**57.0**	**204.4**	**76.8**	**37.6**	**7.2**
All-Cargo Airlines (Domestic)							
1958	**300.0**	**261.3**	**87.1**	.....	.....	.....	**10.0**
1963	475.6	343.3	72.2	.....	.....	.....	7.9
1964	550.0	395.0	71.8	.....	.....	.....	10.7
1965	618.3	469.2	75.9	.....	.....	.....	10.8
1966	705.2	554.8	78.7	.....	.....	.....	11.0
1967	729.3	519.5	71.2	.....	.....	.....	11.2
1968	**704.7**	**496.1**	**70.4**	.....	.....	.....	**11.6**
International and Territorial Airlines							
1958	**1,530.8**	**942.0**	**61.5**	**10,391.7**	**6,123.9**	**58.9**	**172.7**
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	5,139.0	2,856.7	55.6	29,532.8	16,789.0	56.8	247.8
1966	6,654.0	3,883.8	58.4	33,175.6	19,298.4	58.2	285.7
1967	9,031.0	5,113.3	56.6	41,118.7	23,259.3	56.6	350.7
1968	**10,779.3**	**5,978.6**	**55.5**	**49,575.0**	**26,450.6**	**53.4**	**408.1**
All-Cargo Airlines (International)							
1958	**83.7**	**58.0**	**69.3**	.....	.....	.....	**6.1**
1963	243.6	173.1	71.1	.....	.....	.....	6.2
1964	266.6	187.2	70.2	.....	.....	.....	6.5
1965	397.9	264.0	66.3	.....	.....	.....	6.8
1966	904.3	503.1	55.6	.....	.....	.....	7.3
1967	1,142.4	588.5	51.5	.....	.....	.....	9.4
1968	**1,068.4**	**674.2**	**63.1**	.....	.....	.....	**10.4**

REVENUE TON MILES FLOWN

In Thousands of Revenue Ton Miles

TOTAL INDUSTRY

	Passenger	Priority U. S. Mail	Non Priority U. S. Mail	Express	Freight	Excess Baggage	Charter Flights	TOTAL
1958	**3,023,018**	**160,224**	**17,203**	**49,188**	**501,280**	**40,484**	**320,903**	**4,120,228**
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	8,015,941
1965	6,629,164	372,294	110,683	89,859	1,730,295	42,769	909,401	9,894,985
1966	7,736,469	542,772	209,075	98,360	2,050,736	38,215	1,754,984	12,440,910
1967	9,561,035	567,301	408,825	98,883	2,351,108	39,419	2,648,005	15,684,289
1968	**11,023,497**	**581,883**	**675,066**	**105,135**	**2,804,797**	**48,061**	**2,867,102**	**18,116,220**

Domestic Trunk Airlines

1958	**2,321,346**	**87,809**	**16,153**	**45,890**	**240,510**	**27,239**	**12,000**	**2,750,947**
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	182,673	32,866	80,424	835,118	19,355	165,401	5,983,537
1966	5,429,052	236,018	41,420	87,128	988,485	13,159	287,753	7,083,014
1967	6,788,789	266,730	120,581	89,343	1,190,067	15,557	498,919	8,969,988
1968	**7,802,904**	**285,988**	**252,443**	**94,874**	**1,439,161**	**20,011**	**425,942**	**10,321,322**

Local Service Airlines

1958	**78,053**	**1,332**	**391**	**1,801**	**2,243**	**573**	**2,199**	**86,592**
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	239,481
1965	249,244	5,520	813	5,983	15,485	1,068	2,872	280,986
1966	330,286	7,770	1,050	7,099	19,782	642	4,493	371,122
1967	391,810	7,794	5,012	6,417	22,054	694	8,622	442,406
1968	**522,665**	**9,711**	**10,389**	**7,482**	**31,425**	**890**	**11,096**	**593,627**

Intra-Hawaiian Airlines

1958	**6,612**	**66**	**2**	.....	**1,587**	**32**	**2,966**	**11,265**
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	59	285	20,189
1966	19,834	114	750	.....	2,454	60	12	23,224
1967	23,988	119	807	.....	2,823	56	35	27,827
1968	**26,375**	**107**	**788**	.....	**2,272**	**82**	**8**	**29,631**

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 industry totals for 1963; Aspen Airways figures are included in industry totals for 1967 and 1968.

REVENUE TON MILES FLOWN

U. S. Scheduled Airline Industry

	Passenger	Priority U. S. Mail	Non Priority U. S. Mail	Express	Freight	Excess Baggage	Charter Flights	TOTAL
Helicopter Airlines								
1958	**463**	**84**	.....	**33**	**6**	**3**	**5**	**594**
1963	1,189	74	.....	44	6	5	15	1,332
1964	1,520	92	.....	45	6	6	24	1,692
1965	1,787	84	.....	60	10	6	20	1,968
1966	2,415	60	.....	70	10	7	13	2,574
1967	2,819	61	.....	64	9	8	9	2,960
1968	**2,361**	**57**	.....	**48**	**8**	**7**	**10**	**2,482**
Intra-Alaskan Airlines								
1958	**3,303**	**1,171**	.....	.....	**1,948**	**110**	**3,014**	**9,546**
1963	4,797	2,832	.....	.....	2,640	156	6,025	16,449
1964	5,720	3,089	.....	.....	3,176	172	5,754	17,910
1965	6,680	3,701	.....	.....	3,617	188	4,271	18,457
1966	6,995	4,096	.....	.....	3,665	161	4,252	19,168
1967	7,976	4,246	.....	.....	3,630	161	3,662	19,675
1968	**7,846**	**4,652**	.....	.....	**3,825**	**165**	**3,432**	**19,920**
All-Cargo Airlines (Domestic)								
1958	.....	**380**	**622**	**1,112**	**91,604**	.....	**167,623**	**261,341**
1963	.....	504	505	748	110,096	.....	231,409	343,262
1964	.....	896	951	1,818	147,994	.....	243,350	395,008
1965	.....	1,173	1,087	2,475	166,362	.....	298,111	469,208
1966	.....	1,639	1,062	3,071	189,714	.....	359,331	554,817
1967	.....	624	1,673	1,943	181,876	.....	333,365	519,480
1968	.....	**701**	**2,486**	**1,576**	**194,005**	.....	**297,342**	**496,117**
International and Territorial Airlines								
1958	**613,241**	**67,721**	**35**	**352**	**133,606**	**12,527**	**106,615**	**941,964**
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	1,686,674	173,158	70,579	908	596,416	22,093	296,471	2,856,655
1966	1,947,888	283,742	158,663	982	720,627	24,186	737,524	3,883,840
1967	2,345,565	277,909	272,890	1,106	795,858	22,941	1,387,435	5,113,306
1968	**2,660,995**	**273,239**	**395,540**	**1,159**	**926,091**	**26,897**	**1,684,105**	**5,978,604**
All-Cargo Airlines (International)								
1958	.....	**1,661**	.....	.....	**29,776**	.....	**26,481**	**57,979**
1963	.....	4,663	6,205	21	86,370	.....	75,615	173,121
1964	.....	4,856	4,643	14	91,327	.....	86,188	187,202
1965	.....	5,878	5,109	10	110,856	.....	141,969	263,986
1966	.....	9,334	6,131	10	126,000	.....	361,606	503,149
1967	.....	9,818	7,861	9	154,790	.....	415,957	588,545
1968	.....	**7,419**	**13,493**	**12**	**208,097**	.....	**445,059**	**674,170**

OPERATING REVENUES

In Thousands of Dollars

	Passenger	Priority U. S. Mail	Non Priority U. S. Mail	Public Service Revenue	Express	Freight	Other [1]	Total Operating Revenues
TOTAL INDUSTRY								
1958	**1,827,811**	**71,206**	**3,294**	**46,453**	**17,457**	**129,233**	**148,510**	**2,243,964**
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	82,806	31,114	285,657	226,706	4,250,838
1965	4,029,383	138,238	25,234	80,622	34,118	356,113	294,142	4,957,851
1966	4,529,520	189,252	43,481	65,619	36,800	412,039	468,329	5,745,038
1967	5,425,862	184,299	76,016	**59,912**	**35,471**	**465,281**	**618,025**	**6,864,866**
1968	**6,229,521**	**168,870**	**107,054**	**50,333**	**38,222**	**547,306**	**632,022**	**7,773,328**
Domestic Trunk Airlines								
1958	**1,362,994**	**33,040**	**3,078**	**2,386**	**16,141**	**57,350**	**38,261**	**1,513,250**
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	2,908,045	64,181	6,354	3,508	29,703	174,150	77,615	3,263,556
1966	3,233,095	78,870	7,988	2,110	31,601	201,289	105,947	3,660,900
1967	3,901,528	76,166	23,072	2,822	30,752	235,774	149,322	4,419,436
1968	**4,451,341**	**80,732**	**43,138**	.....	**33,146**	**284,707**	**146,378**	**5,039,441**
Local Service Airlines								
1958	**56,487**	**1,250**	**115**	**32,747**	**812**	**1,184**	**2,398**	**94,993**
1963	143,171	2,950	203	67,882	2,508	5,031	4,229	225,975
1964	169,244	3,327	220	65,779	2,781	6,698	5,679	253,728
1965	203,423	4,103	261	66,012	3,196	8,764	5,614	291,374
1966	264,949	5,316	301	54,924	3,729	10,961	8,153	348,332
1967	313,833	5,138	1,352	50,961	3,545	13,053	11,831	399,716
1968	**422,393**	**6,030**	**2,975**	**44,536**	**4,015**	**17,688**	**15,212**	**512,849**
Intra-Hawaiian Airlines								
1958	**7,064**	**55**	.....	**109**	.....	**777**	**1,388**	**9,393**
1963	13,129	77	6	716	.....	1,179	393	15,499
1964	14,924	80	8	878	.....	1,410	599	17,898
1965	17,074	86	46	1,124	.....	1,378	731	20,439
1966	19,716	90	139	1,124	.....	1,375	872	23,318
1967	24,344	92	145	.....	.....	1,540	166	26,287
1968	**27,538**	**84**	**152**	.....	.....	**1,577**	**395**	**29,746**

[1] Includes revenues from excess baggage, foreign mail, charter operations, and incidental revenues.

Note: Avalon Air Transport figures are included in industry totals for 1963. Aspen Airways figures are included in industry totals for 1967 and 1968.

OPERATING REVENUES

U. S. Scheduled Airline Industry

	Passenger	Priority U. S. Mail	Non Priority U. S. Mail	Public Service Revenue	Express	Freight	Other [1]	Total Operating Revenues
Helicopter Airlines								
1958	**1,460**	**216**	.....	**4,371**	**101**	**31**	**112**	**6,291**
1963	3,284	193	.....	4,641	217	41	261	8,637
1964	4,814	240	.....	4,300	213	54	554	10,174
1965	5,645	221	.....	2,712	216	85	2,257	11,135
1966	8,603	158	.....	584	295	98	4,494	14,232
1967	10,377	325	.....	.....	289	102	5,553	16,646
1968	**9,470**	**209**	.....	.....	**259**	**93**	**2,839**	**12,870**
Intra-Alaskan Airlines								
1958	**4,202**	**1,536**	.....	**2,911**	.....	**1,226**	**2,429**	**12,304**
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	7,860	3,650	.....	5,266	.....	2,119	3,106	22,002
1966	7,972	3,926	.....	5,124	.....	1,996	3,339	22,357
1967	9,707	4,392	.....	4,729	3	2,191	3,385	24,407
1968	**8,874**	**4,717**	.....	**3,191**	.....	**2,133**	**3,066**	**21,981**
All-Cargo Airlines (Domestic)								
1958	.....	**187**	**96**	.....	**301**	**15,876**	**40,522**	**56,982**
1963	.....	182	83	.....	237	15,562	51,523	67,586
1964	.....	358	185	.....	563	20,006	53,047	74,158
1965	.....	447	207	.....	681	22,817	58,128	82,279
1966	.....	631	201	.....	858	27,635	73,035	102,360
1967	.....	208	326	.....	538	25,960	67,247	94,279
1968	.....	**194**	**387**	.....	**407**	**27,564**	**56,751**	**85,303**
International and Territorial Airlines								
1958	**395,604**	**34,028**	**5**	**3,929**	**102**	**45,318**	**51,895**	**530,881**
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	887,335	63,170	16,989	1,999	319	130,800	110,263	1,210,875
1966	995,185	96,683	33,373	1,753	314	149,215	197,956	1,474,480
1967	1,165,862	94,055	49,596	1,400	342	163,216	295,211	1,769,682
1968	**1,309,173**	**74,798**	**58,499**	**2,606**	**391**	**185,465**	**327,394**	**1,958,327**
All-Cargo Airlines (International)								
1958	.....	**894**	.....	.....	.....	**7,471**	**11,505**	**19,870**
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	.....	2,380	1,377	.....	3	15,999	36,431	56,191
1966	.....	3,578	1,479	.....	3	19,471	74,529	99,059
1967	.....	3,922	1,524	.....	3	23,440	85,304	114,193
1968	.....	**2,105**	**1,903**	.....	**4**	**28,067**	**79,918**	**111,998**

OPERATING EXPENSES

In Thousands of Dollars

	Flying Operations	Maintenance	General Services & Administration: Passenger Service	Aircraft & Traffic Servicing	Promotion & Sales	Administrative	Total G. S. & A.	Depreciation & Amortization	Total Operating Expenses
TOTAL INDUSTRY									
1958	**670,099**	**412,716**	**145,112**	**341,752**	**253,706**	**103,785**	**844,355**	**209,282**	**2,136,452**
1963	949,417	665,006	263,185	586,086	419,978	167,212	1,436,462	428,379	3,479,264
1964	1,029,893	749,368	309,389	646,328	479,203	185,016	1,619,937	381,543	3,780,741
1965	1,157,945	815,958	381,860	735,447	551,134	212,351	1,880,793	431,228	4,285,923
1966	1,368,532	900,307	458,887	863,279	645,574	241,386	2,209,126	491,578	4,969,541
1967	1,734,082	1,087,167	578,639	1,070,670	776,303	297,560	2,723,172	612,190	6,156,611
1968	**2,083,837**	**1,195,011**	**716,633**	**1,265,083**	**901,577**	**352,179**	**3,235,471**	**734,130**	**7,248,450**
Domestic Trunk Airlines									
1958	**437,518**	**286,127**	**101,222**	**231,109**	**165,945**	**56,950**	**555,226**	**139,254**	**1,418,125**
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	262,750	2,494,035
1965	767,902	566,413	266,279	484,859	348,223	116,378	1,215,739	297,253	2,847,308
1966	869,925	596,269	311,564	560,004	410,282	131,568	1,413,418	327,586	3,207,198
1967	1,101,480	735,445	396,449	704,944	501,987	167,023	1,770,403	402,002	4,009,331
1968	**1,341,342**	**802,853**	**488,635**	**825,578**	**579,243**	**202,465**	**2,095,921**	**479,248**	**4,719,364**
Local Service Airlines									
1958	**29,267**	**18,571**	**4,529**	**24,047**	**7,028**	**5,545**	**41,149**	**4,349**	**93,335**
1963	60,846	47,256	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	12,758	236,762
1965	74,233	59,837	13,426	66,346	23,469	14,874	118,114	15,098	267,283
1966	88,985	69,475	17,307	80,353	29,472	18,472	145,604	20,802	324,866
1967	109,656	79,323	21,995	95,933	36,107	22,813	176,849	33,197	399,025
1968	**149,482**	**93,645**	**31,284**	**122,527**	**47,371**	**28,716**	**229,898**	**47,917**	**520,942**
Intra-Hawaiian Airlines									
1958	**2,505**	**1,699**	**414**	**1,672**	**1,285**	**1,023**	**4,394**	**659**	**9,257**
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	4,514	4,002	646	3,301	2,722	1,812	8,482	1,528	18,527
1966	6,478	4,369	712	3,778	2,925	2,051	9,465	1,832	22,145
1967	8,548	4,909	859	4,404	3,761	2,214	11,239	1,831	26,528
1968	**8,674**	**6,068**	**1,047**	**5,474**	**4,205**	**2,515**	**13,241**	**2,469**	**30,453**

Note: Avalon Air Transport figures are included in industry totals for 1963. Aspen Airways figures are included in industry totals for 1967 and 1968.

OPERATING EXPENSES

U. S. Scheduled Airline Industry

	Flying Operations	Maintenance	General Services & Administration					Depreciation & Amortization	Total Operating Expenses
			Passenger Service	Aircraft & Traffic Servicing	Promotion & Sales	Administrative	Total G. S. & A.		
Helicopter Airlines [1]									
1958	**1,417**	**1,619**	.....	.....	.....	**1,982**[2]	**1,982**	**945**	**5,963**
1963	1,744	2,789	.....	.....	.....	3,305[2]	3,305	1,000	8,839
1964	1,941	3,541	.....	.....	.....	3,817[2]	3,817	996	10,295
1965	2,250	3,770	.....	.....	.....	4,354[2]	4,354	995	11,369
1966	3,195	5,002	.....	.....	.....	5,563[2]	5,563	1,169	14,929
1967	3,455	5,510	.....	.....	.....	6,379[2]	6,379	1,870	17,214
1968	**2,885**	**5,260**	.....	.....	.....	**6,306**[2]	**6,306**	**1,707**	**16,159**
Intra-Alaskan Airlines [1]									
1958	**3,947**	**3,167**	.....	.....	.....	**4,191**[2]	**4,191**	**715**	**12,020**
1963	6,112	5,274	.....	.....	.....	6,746[2]	6,746	1,221	19,353
1964	6,293	5,690	.....	.....	.....	7,138[2]	7,138	1,189	20,310
1965	5,751	5,919	.....	.....	.....	7,534[2]	7,534	1,383	20,587
1966	5,566	5,297	.....	.....	.....	7,756[2]	7,756	1,687	20,306
1967	6,372	6,449	.....	.....	.....	8,686[2]	8,686	1,734	23,241
1968	**6,044**	**5,150**	.....	.....	.....	**7,759**[2]	**7,759**	**1,758**	**20,711**
All-Cargo Airlines (Domestic)									
1958	**22,555**	**12,560**	**1,867**	**5,314**	**1,670**	**3,882**[3]	**12,733**	**7,551**	**55,399**
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	24,270	19,350	1,266	12,178	3,107	3,826	20,378	9,709	73,706
1966	30,774	19,887	1,512	12,845	2,837	4,338	21,533	8,220	80,414
1967	34,139	21,339	423	12,650	3,160	4,308	20,541	7,955	83,973
1968	**35,170**	**19,354**	**2,579**	**13,908**	**3,448**	**4,374**	**24,310**	**10,721**	**89,555**
International and Territorial Airlines									
1958	**163,516**	**83,630**	**36,442**	**76,043**	**76,834**	**28,949**	**218,268**	**54,190**	**519,604**
1963	216,834	117,729	68,904	122,803	133,299	44,383	369,389	95,510	799,462
1964	238,427	145,186	78,371	142,773	151,550	51,729	424,423	88,151	896,187
1965	262,597	146,043	98,205	161,691	171,559	61,198	492,653	100,070	1,001,362
1966	329,427	181,475	126,367	194,943	197,265	67,894	586,470	123,521	1,220,894
1967	424,249	211,874	156,837	238,245	228,135	81,298	704,514	156,017	1,496,654
1968	**495,035**	**244,024**	**187,662**	**281,167**	**263,425**	**94,548**	**826,802**	**180,970**	**1,746,831**
All-Cargo Airlines (International)									
1958	**9,374**	**5,343**	**638**	**3,567**	**944**	**1,263**	**6,412**	**1,621**	**22,749**
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	16,428	10,623	2,038	7,072	2,055	2,375	13,540	5,190	45,782
1966	34,182	18,532	1,424	11,356	2,792	3,744	19,316	6,761	78,791
1967	46,136	22,251	2,076	14,493	3,154	4,750	24,473	7,565	100,425
1968	**44,968**	**18,441**	**5,425**	**16,429**	**3,885**	**5,196**	**30,935**	**9,288**	**103,632**

[1] Detailed General Services and Administration expense data not available.
[2] Includes General Services and Administration expense.
[3] Includes General Services and Administration expenses of Aaxico Airlines, Inc.

SUMMARY OF PROFIT OR LOSS

In Thousands of Dollars

	Total Operating Revenues	Total Operating Expenses	Net Operating Income	Interest on Long-Term Debt	Other Non-Operating Income & Expenses (Net)	Income Taxes	Net Profit or Loss [1]	Rate of Return on Investment [2] (%)	Profit Margin on Sales [4] (%)
TOTAL INDUSTRY									
1958	**2,243,964**	**2,136,452**	**107,512**	**33,657**	**31,729**	**52,631**	**50,396**	**5.5**	**2.2**
1963	3,759,051	3,479,264	279,787	106,497	21,764	114,105	78,480	6.1	2.1
1964	4,250,838	3,780,741	470,097	104,258	29,352	174,088	223,172	9.8	5.3
1965	4,957,851	4,285,923	671,928	112,127	37,232	234,740	367,119	12.0	7.4
1966	5,745,038	4,969,541	775,497	126,588	58,211	279,570	427,633	10.9	7.4
1967	6,864,866	6,156,611	708,254	150,074	85,976	236,698	415,392	7.6	6.1
1968	**7,773,328**	**7,248,450**	**524,878**	**274,082**	**117,237**	**142,820**	**216,108**	**5.4** [3]	**2.8**
Domestic Trunk Airlines									
1958	**1,513,250**	**1,418,125**	**95,125**	**24,457**	**20,743**	**44,722**	**44,794**	**6.5**	**3.0**
1963	2,451,915	2,322,682	129,233	70,103	13,626	59,640	13,117	3.9	0.5
1964	2,790,877	2,494,035	296,841	69,260	17,030	110,250	134,362	9.1	4.8
1965	3,263,556	2,847,308	416,249	73,222	26,964	148,101	221,889	11.2	6.8
1966	3,660,900	3,207,198	453,703	81,065	31,499	165,500	238,636	9.7	6.5
1967	4,419,436	4,009,331	410,106	88,475	57,807	145,250	244,475	6.9	5.5
1968	**5,039,441**	**4,719,364**	**320,077**	**164,610**	**58,919**	**87,865**	**126,521**	**4.7** [3]	**2.5**
Local Service Airlines									
1958	**94,993**	**93,335**	**1,658**	**827**	**246**	**395**	**1,138**	**9.2**	**1.2**
1963	225,975	214,015	11,959	3,905	964	4,374	4,872	8.8	2.2
1964	253,728	236,762	16,966	4,160	737	5,948	7,776	9.4	3.1
1965	291,374	267,283	24,091	5,189	2,051	8,353	12,722	10.4	4.4
1966	348,332	324,866	23,467	7,796	1,379	6,558	10,376	6.8	3.0
1967	399,716	399,025	691	17,697	9,347	−3,340	−4,319	2.4	....
1968	**512,849**	**520,942**	**−8,093**	**32,348**	**3,709**	**−8,280**	**−27,674**	**0.8**	....
Intra-Hawaiian Airlines									
1958	**9,393**	**9,257**	**136**	**167**	**−2**	....	**−114**	**1.3**	....
1963	15,499	14,690	809	485	−402	....	−213	2.0	....
1964	17,898	16,523	1,375	417	104	139	868	13.3	4.8
1965	20,439	18,527	1,911	468	105	568	980	11.1	4.8
1966	23,318	22,145	1,173	572	84	206	479	6.4	2.1
1967	26,287	26,528	−241	772	346	−194	−1,039	2.8	....
1968	**29,746**	**30,453**	**−707**	**1,109**	**−199**	**−482**	**−1,533**	**−0.8** [3]	....
Helicopter Airlines									
1958	**6,291**	**5,963**	**328**	**96**	**16**	**114**	**491**	**11.8**	**7.8**
1963	8,637	8,839	−202	303	245	−107	−154	1.1	....
1964	10,174	10,295	−121	318	361	85	−197	0.7	....
1965	11,135	11,369	−233	388	227	166	−438	−1.5	....
1966	14,232	14,929	−697	375	240	−256	−561	−2.8	....
1967	16,646	17,214	−568	432	311	−56	−634	−2.7	....
1968	**12,870**	**16,159**	**−3,289**	**379**	**575**	**−11**	**−3,082**	**−24.6**	....

[1] Net profit or loss shown is after "special items" and certain non-operating items which are not included in the detail. Therefore, the items do not add to the profit figures shown.

[2] Unless otherwise noted, the computed rate of return on investment reflects net profit plus interest paid on the non-current portion of long-term debt as a per cent of total investment. Total investment is a five-quarter average of total net worth (stockholders' equity) plus long-term debt. Additionally, the rates of return reflect net profit before tax reductions resulting from the investment tax credit.

SUMMARY OF PROFIT OR LOSS

U.S. Scheduled Airline Industry

	Total Operating Revenues	Total Operating Expenses	Net Operating Income	Interest on Long-Term Debt	Other Non-Operating Income & Expenses (Net)	Income Taxes	Net Profit or Loss [1]	Rate of Return on Investment [2] (%)	Profit Margin on Sales [4] (%)
Intra-Alaskan Airlines									
1958	**12,304**	**12,020**	**284**	**131**	**108**	**219**	**92**	**4.2**	**0.7**
1963	20,225	19,353	872	290	96	457	221	4.7	1.1
1964	21,950	20,310	1,640	260	21	613	1,171	14.7	5.3
1965	22,002	20,587	1,415	299	69	701	470	6.5	2.1
1966	22,357	20,306	2,051	336	128	933	1,032	10.9	4.6
1967	24,407	23,241	1,166	333	−81	587	160	2.9	0.7
1968	**21,981**	**20,711**	**1,270**	**343**	**765**	**317**	**1,436**	**10.0**	**6.5**
All-Cargo Airlines (Domestic)									
1958	**56,982**	**55,399**	**1,583**	**1,442**	**639**	**2,041**	**−2,142**	**−1.8**	**—**
1963	67,586	66,308	1,279	4,302	1,277	—545	−1,290	2.8	—
1964	74,158	70,838	3,319	3,824	1,140	636	−1	4.0	—
1965	82,279	73,706	8,573	3,789	1,216	3,280	2,720	7.2	3.3
1966	102,360	80,414	21,946	3,002	1,768	8,467	12,245	17.1	12.0
1967	94,279	83,973	10,305	2,548	299	3,205	4,851	5.3	5.1
1968	**85,303**	**89,555**	**−4,252**	**5,480**	**2,084**	**−2,173**	**−10,838**	**−4.9**	**—**
International and Territorial Airlines									
1958	**530,881**	**519,604**	**11,277**	**6,211**	**8,868**	**5,829**	**7,608**	**3.6**	**1.4**
1963	931,452	799,462	131,991	24,234	6,247	50,287	63,012	12.6	6.8
1964	1,040,020	896,187	143,833	22,980	9,700	56,418	76,731	12.2	7.4
1965	1,210,875	1,001,362	209,513	25,896	6,578	73,572	121,883	14.7	10.1
1966	1,474,480	1,220,894	253,586	30,641	21,890	94,945	149,890	13.8	10.2
1967	1,769,681	1,496,654	273,027	36,941	17,368	88,966	162,696	11.1	9.2
1968	**1,958,327**	**1,746,831**	**211,496**	**64,055**	**48,859**	**64,758**	**126,962**	**9.2 [3]**	**6.5**
All-Cargo Airlines (International)									
1958	**19,870**	**22,749**	**−2,879**	**326**	**1,111**	**−689**	**−1,471**	**−9.3**	**—**
1963	37,548	33,674	3,874	2,874	−299	—	−1,072	3.1	—
1964	42,032	35,790	6,242	3,039	259	—	2,462	11.6	5.9
1965	56,191	45,782	10,409	2,876	22	—	6,892	21.7	12.3
1966	99,059	78,791	20,268	2,801	1,223	3,216	15,536	32.8	15.7
1967	114,193	100,425	13,768	2,846	569	2,278	9,213	13.6	8.1
1968	**111,998**	**103,632**	**8,366**	**5,702**	**2,426**	**816**	**4,274**	**7.8**	**3.8**

[3] These rates reflect a methodology developed by the Airline Finance and Accounting Conference of the Air Transport Association which includes the net discounted value of leased flight equipment and the current portion of long-term debt in the carriers' investment base. Additionally, the value of equipment purchase deposits is deducted from the investment base.

For the year 1968, computation using the total investment method results in the following rates of return: Domestic Trunk Airlines, 4.7%; Intra-Hawaiian Airlines, −1.4%; International and Territorial Airlines, 7.7%; Total Industry, 5.0%.

[4] Net profit as a per cent of total operating revenues.

BALANCE SHEET

In Thousands of Dollars

	As of December 31						
	1958	1963	1964	1965	1966	1967	**1968**
TOTAL INDUSTRY							
Assets							
Current Assets	**667,496**	1,174,711	1,183,263	1,528,691	1,980,938	2,267,782	**2,169,327**
Investments and Special Funds	**287,834**	282,477	299,393	469,755	710,602	1,062,201	**1,284,504**
Flight Equipment	**1,963,196**	3,974,866	4,523,735	5,024,466	6,095,501	7,568,074	**9,021,809**
Reserve for Depreciation and Airworthiness	**−955,192**	−1,725,941	−1,815,056	−1,920,203	−2,105,171	−2,372,973	**−2,545,810**
Ground Property and Equipment	**293,230**	489,877	556,977	620,525	717,531	862,004	**1,035,851**
Reserve for Depreciation	**−148,433**	−264,449	−293,763	−320,740	−351,440	−400,237	**−462,694**
Other Property	**114,350**	74,870	61,972	101,094	145,376	217,920	**263,400**
Deferred Charges	**47,894**	78,884	84,992	77,741	117,030	139,131	**217,146**
Total Assets	**2,270,375**	4,085,298	4,601,507	5,581,330	7,310,369	9,343,902	**10,983,533**
Liabilities and Equity							
Current Liabilities	**453,309**	950,537	972,106	1,125,262	1,282,886	1,518,629	**1,743,346**
Long-Term Debt	**803,144**	1,729,507	1,876,962	2,149,837	3,077,460	4,188,973	**5,253,386**
Other Non-Current Liabilities	**23,426**	21,024	29,077	20,933	18,882	23,125	**23,267**
Deferred Credit	**91,099**	305,042	394,070	449,456	540,752	671,561	**836,321**
Stockholders' Equity—Net of Treasury Stock	**899,397**	1,079,190	1,329,292	1,835,841	2,390,391	2,941,614	**3,127,213**
Preferred Stock	**25,750**	26,938	23,647	19,135	17,138	38,284	**49,687**
Common Stock	**151,960**	212,619	227,730	264,199	275,876	343,550	**349,031**
Other Paid-In Capital	**348,356**	461,040	517,643	623,975	819,022	999,654	**1,054,884**
Retained Earnings	**375,596**	381,429	562,362	931,108	1,280,936	1,562,767	**1,675,582**
Less: Treasury Stock	**2,265**	2,836	2,089	2,575	2,567	2,640	**1,971**
Total Liabilities and Equity	**2,270,375**	4,085,298	4,601,507	5,581,330	7,310,369	9,343,902	**10,983,533**
Domestic Trunk Airlines[1]							
Assets							
Current Assets	**504,109**	873,744	882,686	1,155,376	1,488,583	1,769,067	**1,576,569**
Investments and Special Funds	**184,162**	178,513	175,081	325,334	477,165	691,680	**831,219**
Flight Equipment	**1,521,386**	3,050,528	3,477,700	3,864,966	4,681,260	5,749,847	**6,956,182**
Reserve for Depreciation and Airworthiness	**−753,446**	−1,339,415	−1,399,188	−1,509,256	−1,652,233	−1,882,877	**−2,025,147**
Ground Property and Equipment	**237,840**	391,176	425,974	479,091	544,698	651,653	**794,600**
Reserve for Depreciation	**−115,772**	−208,126	−231,433	−250,723	−271,971	−310,973	**−356,253**
Other Property	**100,272**	59,060	50,547	65,734	91,558	173,940	**207,456**
Deferred Charges	**28,567**	33,227	38,893	35,347	58,848	69,615	**121,572**
Total Assets	**1,707,118**	3,038,708	3,420,258	4,165,869	5,417,909	6,911,951	**8,106,199**
Liabilities and Equity							
Current Liabilities	**332,789**	657,478	686,810	789,602	890,833	1,080,742	**1,202,723**
Long-Term Debt	**588,730**	1,330,921	1,436,105	1,596,918	2,277,953	2,988,632	**3,767,627**
Other Non-Current Liabilities	**19,713**	15,932	6,073	15,454	14,835	17,948	**16,387**
Deferred Credits	**78,818**	239,774	321,469	377,687	454,805	568,615	**711,030**
Stockholders' Equity—Net of Treasury Stock	**687,068**	794,605	969,798	1,386,207	1,779,483	2,255,362	**2,408,432**
Preferred Stock	**24,000**	20,672	17,433	16,134	15,262	37,069	**36,646**
Common Stock	**111,957**	151,927	163,032	191,742	208,237	278,970	**282,194**
Other Paid-In Capital	**236,106**	353,187	385,103	470,160	606,614	749,971	**770,795**
Retained Earnings	**315,493**	270,425	405,514	709,203	950,447	1,190,930	**1,319,737**
Less: Treasury Stock	**488**	1,608	1,284	1,031	1,077	1,579	**939**
Total Liabilities and Equity	**1,707,118**	3,038,708	3,420,258	4,165,869	5,417,909	6,911,951	**8,106,199**

[1] Balance sheet data for Domestic Trunk Airlines include their international as well as domestic operations.

Note: Aspen Airways figures are included in industry totals for 1967 and 1968.

BALANCE SHEET

U.S. Scheduled Airline Industry

As of December 31

	1958	1963	1964	1965	1966	1967	1968
Local Service Airlines							
Assets							
Current Assets	**20,004**	55,114	66,053	85,449	112,012	141,109	**172,817**
Investments and Special Funds	**2,894**	10,203	12,999	19,553	38,962	46,451	**47,539**
Flight Equipment	**46,305**	121,011	135,606	191,980	277,338	457,432	**609,260**
Reserve for Depreciation and Airworthiness	**−20,444**	−46,265	−50,035	−59,423	−62,912	−69,087	**−94,884**
Ground Property and Equipment	**7,595**	17,663	19,707	22,779	30,086	36,940	**45,065**
Reserve for Depreciation	**−4,119**	−9,632	−11,143	−12,385	−14,104	−16,965	**−20,814**
Other Property	**1,518**	2,576	2,597	8,343	23,745	16,143	**12,062**
Deferred Charges	**2,650**	5,301	5,591	6,233	14,038	24,980	**36,068**
Total Assets	**56,403**	155,974	181,373	262,531	419,164	637,003	**807,113**
Liabilities and Equity							
Current Liabilities	**25,135**	51,047	51,632	68,766	99,782	134,410	**165,941**
Long-Term Debt	**18,106**	61,540	69,732	112,039	219,741	392,753	**530,087**
Other Non-Current Liabilities	**362**	479	475	57	48	550	**181**
Deferred Credits	**221**	2,555	3,203	4,297	3,488	6,620	**5,619**
Stockholders' Equity—Net of Treasury Stock	**12,579**	40,354	56,334	77,372	96,105	102,670	**105,285**
Preferred Stock	**163**	2,100	1,887	952	755	660	**12,667**
Common Stock	**7,360**	12,749	15,091	17,505	19,204	20,813	**22,044**
Other Paid-In Capital	**5,732**	10,816	17,676	27,628	39,547	52,591	**72,142**
Retained Earnings	**−595**	14,798	21,771	31,323	36,633	28,641	**−15,611**
Less: Treasury Stock	**81**	108	92	35	35	35	**6**
Total Liabilities and Equity	**56,403**	155,974	181,373	262,531	419,164	637,003	**807,113**
Intra-Hawaiian Airlines							
Assets							
Current Assets	**2,101**	3,152	3,405	6,465	5,721	7,142	**7,380**
Investments and Special Funds	**13**	27	318	1,963	1,681	1,801	**3,049**
Flight Equipment	**7,785**	13,483	14,100	13,330	17,146	22,446	**27,391**
Reserve for Depreciation and Airworthiness	**−3,735**	−6,703	−7,055	−6,174	−5,304	−4,934	**−6,893**
Ground Property and Equipment	**1,501**	2,885	3,314	3,446	4,487	5,163	**5,758**
Reserve for Depreciation	**−1,043**	−1,374	−1,531	−1,616	−1,852	−2,132	**−2,467**
Other Property	**77**	491	229	638	976	569	**147**
Deferred Charges	**634**	727	546	760	1,705	1,837	**1,569**
Total Assets	**7,333**	12,686	13,328	18,812	24,560	31,891	**35,933**
Liabilities and Equity							
Current Liabilities	**2,884**	3,846	3,877	4,897	4,992	7,770	**8,589**
Long-Term Debt	**2,681**	5,754	5,156	8,240	13,193	14,279	**16,402**
Other Non-Current Liabilities	.....	18	113	120	173	106	**416**
Deferred Credits	**2**	35	87	335	440	2	.....
Stockholders' Equity—Net of Treasury Stock	**1,766**	3,034	4,095	5,221	5,763	9,734	**10,527**
Preferred Stock	.....	1,458	1,211	573	398	310	**130**
Common Stock	**1,283**	1,546	1,921	2,852	3,081	5,747	**6,204**
Other Paid-In Capital	**1,534**	1,799	1,866	1,405	1,413	4,543	**6,592**
Retained Earnings	**−1,051**	−1,770	−902	391	871	−866	**−2,399**
Less: Treasury Stock	.....	.....	.....	.....	.....	.....	.....
Total Liabilities and Equity	**7,333**	12,686	13,328	18,812	24,560	31,891	**35,933**

BALANCE SHEET

In Thousands of Dollars

Helicopter Airlines

Assets

	As of December 31						
	1958	1963	1964	1965	1966	1967	**1968**
Current Assets	**2,999**	3,263	4,410	5,856	7,071	6,197	**6,073**
Investments and Special Funds	**53**	199	590	736	1,058	825	**419**
Flight Equipment	**5,023**	9,760	9,608	10,363	11,384	14,292	**14,218**
Reserve for Depreciation and Airworthiness	**−1,621**	−2,958	−3,385	−3,995	−4,184	−5,157	**−5,923**
Ground Property and Equipment	**825**	1,555	1,782	1,919	2,029	2,158	**2,308**
Reserve for Depreciation	**−396**	−894	−1,027	−1,160	−1,202	−1,306	**−1,449**
Other Property	**4**	152	126	241	165	358	**269**
Deferred Charges	**429**	784	884	1,205	1,296	1,040	**801**
Total Assets	**7,316**	11,861	12,987	15,165	17,617	18,407	**16,716**

Liabilities and Equity

Current Liabilities	**1,804**	2,580	3,008	5,015	5,031	5,011	**6,505**
Long-Term Debt	**1,319**	3,944	4,509	4,352	7,059	8,618	**7,947**
Other Non-Current Liabilities	**1**	21	6	5	84	61	**26**
Deferred Credits	**5**	233	226	403	165	149	**201**
Stockholders' Equity—Net of Treasury Stock	**4,187**	5,086	5,241	5,390	5,279	4,566	**2,038**
Preferred Stock	.....	1,043	1,456	.....	.....	.....	.....
Common Stock	**770**	982	995	2,963	3,141	3,157	**3,424**
Other Paid-In Capital	**2,686**	2,647	2,573	2,648	2,919	2,939	**3,366**
Retained Earnings	**731**	414	216	−221	−781	−1,530	**−4,752**
Less: Treasury Stock	.....	.....	.....	.....	.....	.....	.....
Total Liabilities and Equity	**7,316**	11,861	12,987	15,165	17,617	18,407	**16,716**

International and Territorial Airlines

Assets

Current Assets	**114,131**	203,892	186,730	230,019	296,178	272,353	**328,889**
Investments and Special Funds	**96,983**	83,388	101,862	112,659	174,062	228,755	**347,845**
Flight Equipment	**321,169**	602,852	701,856	739,019	920,657	1,096,492	**1,102,427**
Reserve for Depreciation and Airworthiness	**−155,841**	−271,755	−284,887	−262,583	−300,378	−316,310	**−325,943**
Ground Property and Equipment	**37,894**	65,928	94,355	99,902	114,762	142,028	**160,754**
Reserve for Depreciation	**−23,571**	−38,682	−42,316	−47,905	−54,500	−59,798	**−72,322**
Other Property	**7,543**	4,567	6,102	20,534	26,070	23,058	**35,264**
Deferred Charges	**10,381**	31,099	31,355	26,355	25,867	23,665	**32,555**
Total Assets	**408,689**	681,289	795,057	918,000	1,202,718	1,410,243	**1,609,469**

Liabilities and Equity

Current Liabilities	**64,713**	198,760	183,236	209,828	232,163	239,820	**292,392**
Long-Term Debt	**171,549**	226,231	274,502	338,496	474,865	629,706	**716,163**
Other Non-Current Liabilities	**1,445**	1,863	19,743	2,569	2,224	1,050	**3,975**
Deferred Credits	**8,490**	52,531	62,293	56,714	69,302	77,533	**99,153**
Stockholders' Equity—Net of Treasury Stock	**162,492**	201,902	257,791	310,392	424,163	462,132	**497,786**
Preferred Stock	**150**	.....	.....	.....	.....	.....	.....
Common Stock	**19,346**	19,239	19,703	20,064	21,884	10,797	**11,361**
Other Paid-In Capital	**82,872**	78,412	96,190	106,519	143,411	153,850	**164,845**
Retained Earnings	**61,566**	105,369	140,099	185,319	260,080	298,269	**322,361**
Less: Treasury Stock	**1,442**	1,115	708	1,509	1,212	783	**782**
Total Liabilities and Equity	**408,689**	681,289	795,057	918,000	1,202,718	1,410,243	**1,609,469**

BALANCE SHEET

U.S. Scheduled Airline Industry

As of December 31

	1958	1963	1964	1965	1966	1967	1968
Intra-Alaskan Airlines							
Assets							
Current Assets	3,999	6,559	6,580	6,623	6,151	7,662	7,235
Investments and Special Funds	392	825	659	682	1,232	2,571	1,283
Flight Equipment	5,827	10,475	10,601	12,203	12,531	14,360	22,678
Reserve for Depreciation and Airworthiness	−2,583	−5,688	−6,002	−6,945	−7,248	−7,645	−6,580
Ground Property and Equipment	3,075	4,369	4,909	5,842	7,089	7,369	5,906
Reserve for Depreciation	−1,274	−2,298	−2,536	−2,816	−3,184	−3,611	−2,858
Other Property	402	335	465	1,059	709	614	1,046
Deferred Charges	271	565	653	635	670	743	720
Total Assets	10,109	15,146	15,328	17,285	17,949	22,064	29,430
Liabilities and Equity							
Current Liabilities	3,484	5,708	5,540	5,437	5,033	5,894	5,370
Long-Term Debt	3,250	3,350	2,416	4,085	4,264	4,769	11,540
Other Non-Current Liabilities	5	129	187	173	140	129	63
Deferred Credits	237	181	213	242	239	190	328
Stockholders' Equity—Net of Treasury Stock	3,133	5,776	6,968	7,348	8,273	11,079	12,130
Preferred Stock	.....	473	468	485	480	.....	.....
Common Stock	2,089	2,124	2,223	2,552	2,721	3,735	3,376
Other Paid-In Capital	169	279	320	487	490	2,728	2,289
Retained Earnings	875	2,899	3,958	3,824	4,581	4,616	6,465
Less: Treasury Stock	.....	.....	.....	.....	.....	.....	.....
Total Liabilities and Equity	10,109	15,146	15,328	17,285	17,949	22,064	29,430
All-Cargo Airlines [2]							
Assets							
Current Assets	20,153	28,987	33,398	38,903	65,222	64,115	70,232
Investments and Special Funds	3,337	9,322	7,884	8,827	16,442	90,117	52,876
Flight Equipment	55,701	166,757	174,264	192,603	175,184	213,048	289,388
Reserve for Depreciation and Airworthiness	−17,522	−53,157	−64,504	−71,827	−72,910	−86,862	−80,310
Ground Property and Equipment	4,500	6,301	6,936	7,547	14,380	16,534	21,272
Reserve for Depreciation	−2,258	−3,443	−3,777	−4,135	−4,626	−5,434	−6,499
Other Property	4,534	7,688	1,906	4,548	2,155	2,384	6,400
Deferred Charges	4,962	7,181	7,070	7,202	14,606	17,234	23,856
Total Assets	73,407	169,634	163,176	183,667	210,453	311,137	377,214
Liabilities and Equity							
Current Liabilities	22,500	31,118	38,003	41,718	45,052	44,640	61,094
Long-Term Debt	17,509	97,767	84,542	85,707	80,385	149,466	203,053
Other Non-Current Liabilities	1,900	2,582	2,476	2,555	1,378	2,628	2,220
Deferred Credits	3,326	9,733	6,579	9,777	12,313	18,418	19,958
Stockholders' Equity—Net of Treasury Stock	28,172	28,433	31,574	43,910	71,325	95,986	90,888
Preferred Stock	1,437	1,192	1,192	991	244	244	244
Common Stock	9,155	24,052	24,765	26,522	17,608	20,316	20,413
Other Paid-In Capital	19,257	13,900	13,915	15,128	24,627	32,970	34,792
Retained Earnings	−1,423	−10,706	−8,294	1,269	29,090	42,700	35,683
Less: Treasury Stock	254	5	5	.....	244	244	244
Total Liabilities and Equity	73,407	169,634	163,176	183,667	210,453	311,137	377,214

[2] Balance sheet data for All-Cargo Airlines include their international as well as domestic operations.

UNIT REVENUES AND COSTS

PASSENGER REVENUES COMPARED, 1958-1968

Average Revenue per Passenger Mile — Intercity Common Carriers

(In Cents Per Mile)

	1958	1963	1964	1965	1966	1967	1968	% Change 1968/1958
Scheduled Airlines:								
Domestic—First Class	**6.38**	7.17	7.26	7.33	7.24	7.24	**7.33**	+14.9
Coach	**4.52**	5.62	5.58	5.52	5.28	5.13	**5.11**	+13.1
Total	**5.64**	6.17	6.12	6.06	5.83	5.64	**5.62**	− 0.4
International—First Class	**8.23**	8.56	8.16	7.62	7.60	7.59	**7.37**	−10.4
Tourist*	**5.59**	5.47	5.12	5.00	4.85	4.71	**4.65**	−16.8
Total	**6.46**	5.82	5.45	5.29	5.16	5.01	**4.95**	−23.4
Total U.S. Scheduled Airlines	**5.80**	6.09	5.95	5.87	5.67	5.49	**5.47**	− 5.7
Railroads, Class I								
First Class	**3.75**	4.00	3.91	3.87	3.84	3.76	**3.88**	+ 3.5
Coach	**2.76**	3.00	3.00	3.00	2.99	3.02	**3.24**	+17.4
Motor Buses, Class I	**2.42**	2.72	2.74	2.88	2.86	2.99	**2.69**[P]	+11.2

* Includes Economy Fares.

[P] Preliminary.

FREIGHT REVENUES COMPARED, 1958-1968

Average Revenue per Ton Mile — Intercity Common Carriers

(In Cents Per Mile)

	1958	1963	1964	1965	1966	1967	1968	% Change 1968/1958
Scheduled Airlines:								
Domestic	**22.62**	21.72	20.97	20.46	20.21	19.89	**19.98**	−11.7
International	**32.31**	24.78	23.60	20.76	19.92	19.63	**18.83**	−41.7
Total U.S. Scheduled Airlines	**25.78**	22.86	21.95	20.58	20.09	19.79	**19.51**	−24.3
Railroads, Class I	**1.46**	1.31	1.28	1.27	1.26	1.27	**1.31**	−10.3
Trucks, Class I and II	**6.20**	6.30	6.50	6.10	6.60	6.40[E]	**6.60**[E]	+ 6.5

[E] Estimated.

AIRLINE REVENUE, COST AND PROFIT PER REVENUE TON MILE, 1958-1968

(In Cents Per Mile)

	1958	1963	1964	1965	1966	1967	1968	% Change 1968/1958
Domestic Service								
Unit Revenue	**54.26**	57.75	56.58	54.48	51.79	49.90	**49.74**	− 8.3
Unit Cost	**51.09**	54.77	50.87	47.81	45.57	45.67	**47.08**	− 7.8
Operating Profit Margin	**3.17**	2.98	5.71	6.67	6.22	4.23	**2.66**	−16.1
International & Territorial Service								
Unit Revenue	**55.08**	47.76	44.80	40.60	35.87	33.04	**31.12**	−43.5
Unit Cost	**54.24**	41.06	38.59	33.56	29.63	28.01	**27.81**	−48.7
Operating Profit Margin	**0.84**	6.70	6.21	7.04	6.24	5.03	**3.31**	+294.0
Total Industry								
Unit Revenue	**54.46**	54.79	53.03	50.10	46.18	43.77	**42.91**	−21.2
Unit Cost	**51.85**	50.72	47.17	43.31	39.95	39.26	**40.01**	−22.8
Operating Profit Margin	**2.61**	4.07	5.86	6.79	6.23	4.51	**2.90**	+11.1

PASSENGER TRAFFIC

REVENUE PASSENGERS CARRIED

U.S. Scheduled Airline Industry, 1958-1968

(Thousands of Passengers)

	1958	1963	1964	1965	1966	1967	1968
Domestic Trunk Airlines	39,515	53,380	60,532	69,883	79,382	97,215	108,980
Local Service Airlines	4,265	8,865	10,481	12,316	15,540	18,146	22,177
Helicopter Airlines	230	458	608	718	1,067	1,220	1,042
Intra-Hawaiian Airlines	573	973	1,119	1,286	1,487	1,776	1,961
Intra-Alaskan Airlines	158	225	247	264	269	301	226
International and Territorial Airlines	4,428	7,513	8,775	10,195	11,646	13,424	15,753
TOTAL SCHEDULED AIRLINE INDUSTRY	49,169	71,438 [1]	81,762	94,662	109,391	132,091 [2]	150,170 [2]

AVERAGE LENGTH OF HAUL

Domestic Trunk Airlines	618	682	688	701	716	730	749
Local Service Airlines	192	211	214	213	223	227	245
International and Territorial Airlines	1,383	1,585	1,636	1,647	1,657	1,733	1,679

[1] Includes Avalon Air Transport
[2] Includes Aspen Airways

PASSENGER TRAVEL BETWEEN THE UNITED STATES AND FOREIGN COUNTRIES, 1958-1968 *

(Thousands of Passengers)

	1958	1963	1964	1965	1966	1967	1968
Passengers via Air	3,402	5,997	6,905	8,227	9,780	12,455	14,160
Passengers via Sea	1,220	1,639	1,710	1,652	1,549	1,397	1,378
Total via Air and Sea	4,622	7,636	8,615	9,879	11,329	13,852	15,538
Air Share (%)	73.6	78.5	80.2	83.3	86.3	89.9	91.1
U.S. Citizens via Air (%)	66.0	61.8	61.8	60.9	62.1	61.8	62.3
Passengers via Foreign-Flag Airlines	1,349	2,977	3,465	4,195	4,744	6,871	7,469
Passengers via U.S.-Flag Airlines	2,053	3,020	3,440	4,032	5,036	6,982	8,069
U.S.-Flag Airlines' Share (%)	60.0	50.4	49.8	49.0	51.5	49.6	51.9

* 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, 1958-1968

(Passenger Miles in Millions)

	1958	1963	1964	1965	1966	1967	1968
Common Carriers							
Airlines	25,375	38,457	44,141	51,888	60,591	75,486	87,456
Railroads	18,474	14,396	14,048	13,260	12,903	10,920	8,737
Motor Bus [1]	20,800	21,800	23,300	23,800	24,600	24,900	24,500
Total	64,649	74,653	81,489	88,948	98,094	111,306	120,693
Air Share (%)	39.3	51.5	54.2	58.3	61.8	67.8	72.5
Private Automobile	629,496	766,000	802,000	859,000	902,000	967,000	1,010,000 [E]
Total Common Carrier and Auto	694,145	840,653	883,489	947,948	1,000,094	1,078,306	1,130,693
Common Carrier Share (%)	9.3	8.9	9.2	9.4	9.8	10.3	10.7
Air Share (%)	3.7	4.6	5.0	5.5	6.1	7.0	7.7

[1] Includes charter
[E] Estimated

SAFETY

COMPARATIVE TRANSPORT SAFETY RECORD, 1958-1968

Passenger Fatality Rate per 100,000,000 Passenger Miles

	1958	1963	1964	1965	1966	1967	1968
U. S. Scheduled Airlines							
Domestic							
Fatalities	**114**	48	65	205	59	226	**258**
Rate	**0.43**	0.12	0.14	0.38	0.09	0.30	**0.30**
International and Territorial							
Fatalities	**10**	73	94	21	0	0	**47**
Rate	**0.16**	0.59	0.63	0.12	0.00	0.00	**0.18**
Total U. S. Scheduled Airlines							
Fatalities	**124**	121	159	226	59	226	**305**
Rate	**0.38**	0.23	0.26	0.31	0.07	0.22	**0.27**
Motor Buses							
Fatalities	**90**	150	90	100	150	130	**n.a.**
Rate	**0.17**	0.26	0.15	0.16	0.23	0.20	**n.a.**
Railroads							
Fatalities	**62**	13	9	12	27	13	**11**
Rate	**0.27**	0.07	0.05	0.07	0.16	0.09	**0.08**
Autos							
Fatalities	**24,200**	28,900	31,500	32,700	35,100	35,300	**36,700** [E]
Rate	**2.3**	2.3	2.4	2.4	2.5	2.4	**2.4** [E]

[E] Estimated

FIVE-YEAR AVERAGES OF SELECTED SAFETY STATISTICS *

U.S. Scheduled Airline Industry, 1939-1968

	Passenger Fatalities Per 100 Million Passenger Miles	Passenger Fatalities Per One Million Aircraft Miles	Revenue Plane Miles Per Fatal Accident (000)	Fatal Accidents Per 100,000 Flights
1939-1943	2.39	0.29	9,673	n.a.
1944-1948	2.01	0.37	7,080	n.a.
1949-1953	0.96	0.25	12,397	0.25
1954-1958	0.37	0.12	22,809	0.19
1959-1963	0.44	0.19	31,048	0.16
1964-1968	**0.23**	**0.12**	**38,980**	**0.15**

* Scheduled passenger operations. Charter service and all-cargo carriers not included.

EMPLOYMENT

PERSONNEL EMPLOYED

U.S. Scheduled Airline Industry, 1958-1968

Year (Dec. 31)	Pilots and Copilots	Other Flight Personnel	Pursers, Stewards Stewardesses	Communi-cations Personnel	Mechanics	Aircraft and Traffic Servicing	Office Employees	All Others	Total
1958	12,897	3,667	9,811	3,978	29,580	37,256	32,003	17,958	147,150
1963	14,262	4,048	13,109	3,716	34,453	49,056	37,867	22,396	178,887
1964	15,136	4,415	14,470	3,195	39,360	51,944	40,325	22,973	191,818
1965	16,881	5,091	17,322	3,123	41,667	57,532	44,162	25,017	210,795
1966	21,019	6,788	20,925	3,174	45,327	66,641	50,961	29,193	244,028
1967	23,425	7,531	25,100	3,316	50,016	74,943	59,257	32,435	276,023
1968	**24,554**	**7,953**	**29,970**	**3,403**	**52,046**	**82,950**	**63,158**	**36,417**	**300,451**

Note: Data for Alaskan and All-Cargo carriers not included prior to 1959.

AIRPORTS AND AIRWAYS

ACTIVE AIRCRAFT IN THE CIVIL AVIATION FLEET, 1958-1968

	1958	1963	1964	1965	1966	1967	1968
Air Carrier							
Piston	1,777	1,138	1,030	875	684	472	202
Turbine	80	674	813	1,000	1,322	1,700	2,099
Rotorcraft	22	20	20	21	21	22	13
Total	1,879	1,832	1,863	1,896	2,027	2,194	2,314
% of Total	2.7%	2.1%	2.1%	1.9%	1.9%	1.9%	1.8%
General Aviation							
Piston	67,108	83,084	86,482	92,556	101,292	109,910	117,500 [E]
Turbine	—	245	306	574	915	1,281	1,650 [E]
Rotorcraft	439	1,171	1,306	1,503	1,622	1,899	2,150 [E]
Other	292	588	648	809	877	1,096	1,200 [E]
Total	67,839	85,088	88,742	95,442	104,706	114,186	122,500 [E]
% of Total	97.3%	97.9%	97.9%	98.1%	98.1%	98.1%	98.1%
Total	**69,718**	**86,920**	**90,605**	**97,338**	**106,733**	**116,380**	124,814 [E]

[E] Estimated

Source: Federal Aviation Administration.

AIRCRAFT OPERATIONS AT AIRPORTS WITH FAA CONTROL TOWERS, 1958-1968

	1958	1963	1964	1965	1966	1967	1968
Air Carrier	6,997,079	7,339,533	7,447,434	7,819,114	8,206,322	9,359,960	10,377,089
% of Total	26.3%	23.7%	21.8%	20.6%	18.3%	18.8%	18.8%
General Aviation	14,037,138	19,921,053	23,019,865	26,572,650	33,445,126	37,222,622	41,564,024
% of Total	52.8%	64.3%	67.3%	70.2%	74.4%	74.6%	75.2%
Military	5,564,910	3,716,187	3,727,360	3,478,771	3,301,368	3,304,258	3,350,922
% of Total	20.9%	12.0%	10.9%	9.2%	7.3%	6.6%	6.1%
Total	**26,599,727**	**30,976,773**	**34,194,659**	**37,870,535**	**44,952,816**	**49,886,840**	**55,292,035**

Source: Federal Aviation Administration.

AIRCRAFT HOURS FLOWN IN CIVIL AVIATION, 1958-1968

	1958	1963	1964	1965	1966	1967	1968
Scheduled Air Carrier							
Domestic Service	3,634,139	3,131,898	3,266,137	3,500,027	3,602,540	4,173,399	4,686,495
International & Territorial Service	704,841	474,763	508,408	571,828	630,578	751,214	882,498
Total	4,338,980	3,606,661	3,774,545	4,071,855	4,233,118	4,924,613	5,568,993
% of Total	25.6%	19.3%	19.3%	19.6%	16.8%	16.8%	17.6%
General Aviation	12,579,000	15,106,000	15,738,000	16,733,000	21,023,000	24,445,000	26,000,000 [E]
% of Total	74.4%	80.7%	80.7%	80.4%	83.2%	83.2%	82.4%
Total	**16,917,980**	**18,712,661**	**19,512,545**	**20,804,855**	**25,256,118**	**29,369,613**	**31,568,993**

[E] Estimated

Source: Civil Aeronautics Board.

AIRPORTS AND AIRWAYS

TOTAL U. S. AIRPORTS, FAA CONTROL TOWERS AND POINTS RECEIVING SCHEDULED AIRLINE SERVICE, 1958-1968

	1958	1963	1964	1965	1966	1967	**1968**
Total Airports on Record with FAA	**6,018**	8,814	9,490	9,566	9,673	10,126	**10,470**
Total FAA Control Towers	**213**	277	278	292	303	313	**322**
Points Receiving Scheduled Airline Service	**554**	551	547	532	527	521	**524**

Note: Several points are served by more than one airport.

Source: Civil Aeronautics Board.
Federal Aviation Administration.

DISTRIBUTION OF AIRCRAFT OPERATIONS AT LARGE HUB AIRPORTS, 1958, 1963, 1968

	1958			1963			1968		
	Air Carrier	General Aviation	Military	Air Carrier	General Aviation	Military	Air Carrier	General Aviation	Military
O'Hare	28.0%	38.6%	33.4%	83.9%	14.3%	1.8%	91.0%	8.3%	0.7%
John F. Kennedy	88.7	10.0	1.3	89.5	9.9	0.5	85.7	14.1	0.3
Los Angeles	69.8	15.7	14.4	79.7	16.2	4.2	73.7	24.4	1.8
Atlanta	68.5	23.5	8.0	77.1	20.9	2.0	78.1	21.3	0.6
San Francisco	62.5	27.2	10.2	71.8	22.8	5.4	84.2	14.3	1.5
Washington National	77.9	18.2	3.9	71.6	25.5	2.8	67.8	31.2	0.9
Dallas	54.2	37.0	8.8	54.0	44.0	1.9	61.6	37.7	0.7
Miami	53.7	32.1	14.1	52.9	44.6	2.5	59.4	39.9	0.7
Boston	54.3	29.0	16.7	65.4	27.3	7.3	66.5	31.9	1.6
LaGuardia	76.1	23.5	0.4	56.1	43.3	0.6	70.2	29.5	0.3
Newark	79.9	18.1	2.0	78.9	19.9	1.2	74.0	25.9	0.1
Philadelphia	52.5	30.6	16.9	62.6	34.1	3.3	67.3	31.5	1.2
Pittsburgh	67.7	13.6	18.8	63.1	17.3	19.6	59.7	28.8	11.5
Denver	31.3	56.9	11.8	38.2	59.7	2.1	37.6	62.0	0.4
Cleveland	51.0	47.3	1.7	56.6	42.2	1.3	47.2	52.5	0.4
St. Louis	45.8	36.5	17.7	35.4	55.3	9.2	51.8	42.0	6.2
Detroit	82.2	13.6	4.1	38.6	54.7	6.7	66.2	31.4	2.4
Minneapolis/St. Paul	37.4	27.6	34.9	38.9	34.6	26.5	43.8	44.9	11.3
Kansas City	42.3	56.2	1.5	43.0	55.4	1.5	54.3	45.1	0.6
Houston	32.6	46.6	20.8	33.6	64.5	1.8	39.8	59.9	0.3
New Orleans	72.7	17.0	10.2	71.4	23.9	4.7	66.3	31.6	2.1
Seattle/Tacoma	68.8	20.0	11.2	65.2	28.4	6.4	64.0	34.4	1.5
Cincinnati	62.8	25.8	11.4	64.0	31.9	4.1	62.2	37.2	0.6
Total	**58.2**	**30.0**	**11.8**	**62.7**	**32.7**	**4.7**	**66.1**	**32.0**	**1.9**

Source: Federal Aviation Administration.

GROWTH OF AIRLINE SERVICE

	1958	1967	1968
Number of Carriers	51	47	38
Average Number of Scheduled Daily Flights	8,970	13,551	14,612
Number of Points Served [1]			
Domestic	554	521	524
International	156	161	166
Route Miles Served			
Domestic	238,817	304,647	314,722
International	332,561	376,027	369,027
Total Payroll (000)	$882,184	$2,491,331	$2,921,120
Number of Employees	147,150	276,023	300,451
Average Annual Pay	$ 5,995	$ 9,026	$ 9,722

[1] Many points serve more than 1 city. Does not include Alaskan points.

Definition of Terms

TON MILES. One short ton (2,000 pounds) transported one statute mile (5,280 feet). Ton miles are computed by multiplying miles flown by number of tons carried.

REVENUE TON MILES. One ton of revenue traffic transported one mile. Revenue ton miles are computed by multiplying tons of revenue traffic (passengers, freight, and mail) by the miles which this traffic is flown.

PASSENGER TON MILES. One ton of passenger weight, including free baggage, transported one mile. Passenger ton miles are computed by multiplying this passenger weight (in tons) by miles flown. The combined passenger and free baggage weights are calculated as follows:

Domestic Operations:	190 pounds
International/Territorial Operations	
Coach (tourist) passengers:	200 pounds
First-class passengers:	215 pounds

CARGO TON MILES. One ton of cargo transported one mile. Cargo ton miles are computed by multiplying tons of cargo carried by the miles which it is flown.

AVAILABLE TON MILES. The total number of tons available for the carriage of passengers, freight, and mail multiplied by the number of miles which this capacity is flown.

AVAILABLE SEAT MILES. The total number of seats available for the carriage of revenue passengers multiplied by the number of miles which those seats are flown.

REVENUE PASSENGER. A person paying a prescribed fare for air transportation which he receives from an air carrier. Persons receiving air transportation for token service charges are considered nonrevenue passengers.

REVENUE PASSENGER MILES. One fare-paying passenger transported one mile. RPM's are computed by multiplying the number of revenue passengers by the miles which they are flown.

REVENUE PASSENGER LOAD FACTOR. A percentage which represents the proportion of seating capacity which is actually sold and utilized. Computed by dividing revenue passenger miles flown by available seat miles flown in revenue passenger service.

REVENUE TON MILE LOAD FACTOR. A percentage which represents the proportion of total capacity available for passengers, freight, and mail which is actually sold and utilized. Computed by dividing revenue ton miles actually flown by revenue ton miles available for use.

REVENUE PLANE MILES. Number of miles flown for which remuneration is received by an air carrier.

YIELD. The average amount of revenue received per revenue passenger mile or per cargo ton mile. Computed by dividing total passenger revenue (or cargo revenue) by the total number of revenue passenger miles (or cargo ton miles) flown.

PUBLIC SERVICE REVENUES (SUBSIDY). Payments by the Federal government which provide for air service to communities in the United States where traffic levels are such that air service could not otherwise be supported.

AIR CARGO. In the United States, this term refers to mail, freight, and express traffic moving by air. In other countries, the term refers only to freight. U.S. domestic cargo consists of the following classes of service:

Priority Mail—Mail assured of airlift. Includes air mail and air parcel post.

Non-Priority Mail—Airlift of first class mail on a space-available basis.

Air Express—An airline/REA Express partnership for the priority movement of packages generally under 50 pounds.

Air Freight—The airlift of commodities of all kinds.

AIRCRAFT IN SERVICE

Manufacturer	Model	(In service as of 12/31) 1958	1963	1964	1965	1966	1967	1968
Boeing:	377	32	....	....	....	....	....	....
	B707 (Jet)	6	133	157	187	239	327	380
	B720 (Jet)	....	104	112	121	129	135	134
	B727 (Jet)	....	....	88	168	277	394	516
	B737 (Jet)	....	....	....	....	....	....	66
British Aircraft Corp.:	BAC 111 (Jet)	....	....	....	17	54	57	60
Canadair:	CL 44 (Turboprop)	....	21	21	24	22	19	14
Convair:	240	76	49	51	55	30	11	3
	340/440	164	153	153	145	112	78	46
	580/600 (Turboprop)	....	....	4	20	69	113	148
	880 (Jet)	....	46	48	47	46	45	41
	990 (Jet)	....	19	19	18	17	11	6
Curtis:	C-46	87	34	22	24	18	12	7
Douglas:	DC-3	330	197	164	140	105	70	14
	DC-4	76	14	15	5	5	4	....
	DC-6	362	217	203	177	131	102	7
	DC-7	252	164	121	64	49	27	15
	DC-8 (Jet)	....	104	114	130	142	161	217
	DC-9 (Jet)	....	....	....	4	54	142	260
Fairchild Hiller:	F-27 (Turboprop)	10	50	54	63	63	48	47
	FH-227 (Turboprop)	....	....	....	....	16	58	55
Lockheed:	Lodestar	7	....	....	....	....	....	....
	Constellation	112	40	41	36	37	6	....
	Super Constellation	140	111	107	70	61	39	....
	Electra (Turboprop)	....	117	117	117	114	109	86
	L-382B/100 (Turboprop)	....	....	....	....	5	9	9
Martin:	202	26	16	15	13	....	....	....
	404	95	59	65	71	73	57	46
Nihon:	YS-11 (Turboprop)	....	....	....	....	3	2	9
Nord Aviation:	262 (Turboprop)	....	....	....	5	....	12	12
Sud Aviation:	Caravelle (Jet)	....	20	20	20	20	20	20
Vickers:	Viscount (Turboprop)	80	60	59	59	52	38	19
Other:		18	84	73	75	63	66	64
Totals:								
Jet		6	426	558	712	978	1,292	1,700
Turboprop		90	248	255	288	344	408	399
Piston		1,777	1,138	1,030	875	684	472	202
Total Fixed Wing:		**1,873**	**1,812**	**1,843**	**1,875**	**2,006**	**2,172**	**2,301**
Helicopters:								
Bell:	B47	4	1	....	....	....	....	....
Sikorsky:	S51	2	1	1	....	....	....	....
	S55	6	2	2	2	2	2	....
	S58	5	4	4	4	3	3	....
	S61 (Turbine)	....	4	6	7	8	9	8
	S62 (Turbine)	....	4	3	1	1	1	1
Boeing Vertol:	V107 (Turbine)	....	4	4	7	7	7	4
Totals:								
Turbine		....	12	13	15	16	17	13
Piston		22	8	7	6	5	5	....
Total Helicopters:		**22**	**20**	**20**	**21**	**21**	**22**	**13**

Source: Federal Aviation Administration.

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	National
Braniff International	Northeast [1]
Continental	Northwest
Delta	Trans World
Eastern	United
Western	

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

Air West [1]	North Central [1]
Allegheny [1]	Ozark
Frontier	Piedmont
Mohawk [1]	Southern
Texas International [1]	

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

Aloha	Hawaiian

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

Kodiak	Western Alaska
Reeve Aleutian	Wien Consolidated

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 are now certificated to carry persons, property and U.S. Mail at a service rate.

Chicago Helicopter Airways [3]	Los Angeles Airways
	New York Airways
San Francisco & Oakland Helicopter Airlines	

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	Northeast
American	Northwest
Braniff International	Pan American
Caribbean Atlantic	Trans Caribbean
Delta	Trans World
Eastern	United
National [3]	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.

Airlift International	Flying Tiger
Seaboard World	

8. **Supplemental Air Carriers.** A class of air carriers now holding 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 June 1, 1969, there were 14 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 forwarding companies. 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 181 forwarding companies operating in domestic interstate and foreign and overseas commerce. Statistical data for these groups of carriers are not included herein.

[1] Also certificated to provide trans-border service.
[2] Certificated non-mail carriers.
[3] Scheduled services temporarily suspended.

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