



AMERICAN AIRLINES

CABLE ADDRESS AMAIR

100 PARK AVENUE • NEW YORK 17, NEW YORK

OFFICE OF
SECRETARY

October 14, 1953

Mr. Amon G. Carter
Fort Worth Star-Telegram
Fort Worth, Texas

Dear Amon:

I am glad that we got to talk over the telephone during my brief visit to Fort Worth, even though I did not get to see you personally.

I have asked Dick Brooks to prepare a sketch of the fence we discussed and have also asked Raymond Buck to talk with you about the legal problem involved in opening the club to locker storage within a few weeks.

The establishment of bottle privileges can be very important to the expanded use of Amon Carter Field and also to increased patronage of Sky Chefs. I am hopeful that we can all agree to a set of rules and the necessary fencing which can make that possible.

I talked with Newt Wilson about our discussion with respect to Sky Chefs, and he has talked with Amon Jr. about it.

The comments about Mr. Buckley's speech are attached. Your limousine has been arranged for Monday evening, and we'll look forward to seeing you on the 20th.

Best personal regards.

Sincerely,

Walter H. Johnson, Jr.

WHJ/f



Comments Re Speech by Mr. James Buckley on
August 5, 1953, before the Dallas Rotary Club

There was nothing new either as to approach, facts or emphasis in this speech which has not been said before by Mr. Buckley. It represents, therefore, a reopening of old arguments or a continued fanning about of things which have either been accepted or answered previously.

The facts in the speech were checked against either his report concerning "The Future of Love Field" or "Air Service Requirements of the City of Dallas," and were found to be repetitions of the factual case of these earlier studies. In this speech nothing was said regarding Dallas' schedule pattern that would indicate any awareness of American's Exhibits on Dallas, which were prepared to point up the adequacy of our service when judgment is based on reasonable criteria. In other words, nowhere in this presentation has any relationship been established between the demand for service and the service actually provided.

The speech propounded two arguments: (1) the advantage to Dallas' citizenry of a "close-in" Airport, and (2) an attack on the schedule pattern of American Airlines through Dallas.

1. Advantage of "close-in" airport.

In arguing the advantage of "close-inness", Mr. Buckley builds a negative case by relating the cost of additional miles to an airport that is not close-in as compared to Love Field, namely Amon Carter Field. He is concerned with the construction of a cost figure representing a cost of the added miles to passengers, freight, mail and express. He argues that it is necessary for the Dallas Airport to be close in since 20 percent of the Dallas passenger traffic is for less than 200 miles distance (of course such an argument inherently implies that 80 percent of the traffic must be greater than 200 miles). It could just as easily be argued that because

80 percent of the traffic is for a distance of more than 200 miles, the "close-in" requirement for a Dallas airport is relatively unimportant.

It is our opinion that in general what Mr. Buckley says here is basically true. The importance of distance to the airport varies inversely to the distance of the passenger's trip. His concern for the short haul passenger is noble and legitimate. In addition, other things being equal, it will always cost more in either time and/or money to go ten miles distance than five. Town to airport time, flight delays, etc., take on added significance on short haul air flights. On the other hand, it is likely that Mr. Buckley has overplayed the total community advantage of an airport so "close-in". Undoubtedly his cost figures are overstated, but variance from his figures would depend upon the criteria and basing points chosen for measuring mileage distances. Any set would probably be subject to disagreement by alternate parties.

Below is a table which will illustrate something of the relative unimportance of added time to the airport. Of especial importance is the last column which represents the added minutes per trip hour to the Dallas passenger when he has to go to Amon Carter Field instead of Love Field. It is interesting to note that this table, in the Oklahoma City example, points up the admission above concerning short haul traffic.

Round Trip Mileage	Destination	Total Time <u>1/</u> For Trip Including <u>Limousine Service</u>		Add.Psgr. Time Req. For Trip	% Add.Time In Using	Added Min./Trip Hour <u>3/</u>
Love Fld.	Dallas To:	Love Fld.	A.Carter	From ACF	ACF	
2,954	San Francisco	800	820	20	2.5	1.7
2,490	Los Angeles	670	690	20	3.0	2.0
362	Oklahoma City	195	225	30	15.4	15.6
1,590	Chicago	460	490	30	6.5	4.7
2,366	Washington	635	675	40	5.2	4.2
2,796	New York <u>2/</u>	775	815	40	6.3	3.4

1/ In Minutes.

2/ Via Washington.

3/ Trip Hour based on Ramp to Ramp time from ACF.

The Doolittle Airport Commission Study was quoted regarding the value of airport accessibility. While only a very small part of the Commission's Report was devoted to the accessibility question, Mr. Buckley did not submit the entire quotation in his speech. On page 42-43 of the report we find the following: "To be economically successful, an airport must be reasonably close (in time)1/ to the traffic center it serves . . . Time, not distance, is the prime factor 2/ . . . If average speed can be increased by virtue of clear travel over limited-access highways, time can be cut down considerably; or alternatively, the airport can be located farther from the city and still retain transit times acceptable to the travelling public." In other words, here Mr. Buckley has been guilty of omitting a portion of the quotation which weakens his argument and which has a clear application in the Dallas/Fort Worth situation.

In addition, the Doolittle report points up the developing problem of airport noise especially that which will result from the operation of turbo-jet craft. (It is interesting to speculate that Mr. Buckley might at some date in the near future find himself called upon to argue for the relocation of the Love Field facilities and against the advantages of "close-iness," when the noise and operational problems of jet transports are more nearly upon us.) This is being currently emphasized by the scattered opposition now being developed to the Love Field expansion program on a noise basis.

2. Quality of American Airlines' Service to Dallas.

Mr. Buckley here argues that "American offers only 67 percent of its regional schedule at Dallas and those schedules offered are unbalanced as to direction, community, time of day, equipment and other qualitative factors."

There is little new that can be added to our earlier Dallas exhibits pointing up the quality of our service and relating seats available to Dallas demand. Once an argument of this sort develops it avoids reconciliation and becomes an "it is, it isn't" situation. We are convinced, and so far the CAB agrees with us (Evidence the EAL decisions) that our criteria for judging the quality of Dallas service is superior to the proposals of Buckley. It is in our best interest to provide the maximum service for Dallas that is profitably possible. That quantity of service is and will be in the best interest of Dallas since it reflects their demand for air transportation. We are not spiteing Dallas, and we do not want to be engaged in an internecine war between Fort Worth and Dallas. Both cities deserve service in the American Airlines tradition and we intend to see that they get it. Nowhere in any of Mr. Buckley's presentations has he analyzed the simple business principle of supply and demand, and herein lies one of the basic weaknesses in his entire discussions.

For refutation to an argument that insists our service is bad to Dallas, there are no better materials than the Dallas exhibits prepared in answer to the earlier Buckley reports. Dallas is a good air city -- an excellent air city, but there is one argument that should be stressed (and Buckley has ignored it) namely, that the predominance of Dallas as an air city has probably resulted from its utilization as a transcontinental connecting city. This position as an intermediate point has given them a calibre of service unwarranted by the requirement of Dallas alone. According to Buckley's own figures in his Dallas report, 334,313 of 588,202 passengers on board flights out of Dallas in 1950 originated at cities other than Dallas. This means that more than half of the economic justification for the

industry's flights out of Dallas was borne by other cities. This has given Dallas non-stop service to its ten leading destinations, while a less fortunately located city like Boston, despite originating or generating almost twice as much traffic as Dallas has nonstop service to only six of its ten leading destinations.

1/ The parentheses are included in the report, but were omitted from the text report of Mr. Buckley's report and commas substituted.

2/ The underscoring is mine.