

BOARD OF DIRECTORS
AMERICAN AIRLINES, INC.

March 17, 1955

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

Dear Mr. Carter:

We are sorry that you could not be present at yesterday's meeting of the Directors. Your financial statement covering the months of January and February is attached. It provides, we believe, an interesting comparison, particularly from the standpoint of lower unit costs, with the same months of last year.

The trend of traffic continues to be good in March.

A draft of the annual report was presented and approved. Copies will be placed in the mail around the last of the month, and we will send you a copy as soon as the report is off the press.

The Annual Shareholders Meeting in Wilmington will be held on May 17, followed on May 18 by the annual Directors Meeting in New York. Proofs of the approved Notice of Meeting, Proxy and Proxy Statement are attached.

Other items covered at the meeting included

1. Automatic pilots for 13 DC-7 airplanes to standardize the fleet \$185,000
2. Lease for enlarged Baltimore Sales, Reservations and Ticket Offices - 10 years (Rent) \$120,000
3. We have concluded an 18-month renewal of the contract with 6000 TWU Maintenance and Stores employees. Average increase $6\frac{1}{2}$ cents per hour. For the first time we will have a full union shop (by September 1955) which had been accepted by the other major airlines some time back. Of the 6000 employees in this group, about 5750 belong to the union.
4. Several weeks ago we notified the advertising agency, Ruthrauff and Ryan, of our desire to make a change. The new agency will be Lennen and Newell.
5. Absence of branch banks in some localities makes it necessary to arrange with a nationwide loan company (Beneficial Loan Company) for extension of the number of outlets available for time-payment sales.

