C. R. SMITH

Washington November 20, 1946

Dear Amon:

You will remember the report to the directors; that the DC3 airplanes are breaking our back. That is not the only reason for our not making money but it is the principal one. In the month of July we made about \$200,000., resulting from profit of \$500,000. on the DC4's and loss of \$300,000. on the DC3's. We are now breaking even on the DC3's with 20 out of the 21 seats sold, and our average is well below that.

We are taking off DC3 trips wherever we can, taking off first those which are doing the worst. Among the worst are the DC3 flights from Los Angeles to El Paso to Mexico City and one from Chicago to Fort Worth to Mexico City. We are now running DC4 services and they are getting all of the business. There is no justification sufficient to warrant keeping on the DC3 trips; they are not loaded and they are losing much money.

In connection with taking off the Chicago-Mexico City DC3 you should realize that this means taking off the DC3 service from Fort Worth to Mexico City. I call that to your attention, first for the reason that you should know about it anyway and, second, for the reason that you will be asked questions about it.

The DC4 service which goes from Texas to Mexico, from Chicago and from New York, goes through Dallas, for the reason that load limits at Fort Worth Airport will not permit the through operation.

C. R. SMITH

Mr. Amon G. Carter, Page #2.

You will be asked questions about why Dallas has direct service to Mexico City and Fort Worth has none. The only sensible answer is that we cannot sell enough seats on a DC3 to even break even and must operate the service with DC4 - and we cannot operate a through DC4 from Fort Worth Airport.

Sorry to have to present you with another problem but I know of no other answer.

Sincerely yours,

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

