



AMERICAN AIRLINES

AMERICAN AIRLINES, INC. • AMERICAN OVERSEAS AIRLINES, INC.

1437 K STREET, N. W. • WASHINGTON 5, D. C. • EXECUTIVE 2080

October 6, 1947

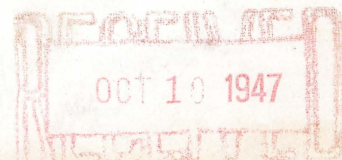
To: The Directors

Attached are some figures which will interest you, indicating trend of our business for several years. The rate for transportation has been going down, generally, and the cost of providing transportation has been going up. This increases the percentage of potential load required to break even. The first break in this trend has come this year; the result principally of higher rates and more efficient equipment, but with the important factor of reduced cost by increased efficiency of operation.

It is evident that the expense of doing business continues to rise. Offsetting that to some extent is the increasing number, and relative percentage, of DC6 airplanes in service.

C. R. Smith

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American Airlines, Inc.

<u>Year</u>	<u>Break-Even Passenger Load Factor</u>	<u>Average Passenger Fare Per Mile</u>	<u>Average Mail Revenue Per Ton Mile</u>	<u>Average Express & Freight Revenue Per Ton Mile</u>
1939	53.8%	\$.05166	\$ 1.86	\$.60
1940	56.6	.05100	1.73	.59
1941	56.8	.05082	1.45	.56
1942	55.4	.05319	.72	.58
1943	56.3	.05358	.60	.53
1944	61.0	.05128	.60	.47
1945	70.3	.04656	.45	.47
1946	82.5	.04489	.45	.35
1st half 1947	79.9	.04780	.45	.33
Month of June	67.9	.05051	.45	.32
% change 1st half 1947 from year 1939	48.5	(7.5)	(75.8)	(45.0)
% change June 1947 from year 1939	26.2	(2.2)	(75.8)	(46.7)

() denotes decrease

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