

CIVIL AERONAUTICS BOARD

WASHINGTON 25, D. C.

FOR RELEASE:

CAB 55-9

IMMEDIATE
February 2, 1955

TRANS PACIFIC AND WEST COAST-HAWAII CASES DECIDED BY PRESIDENT

The Civil Aeronautics Board announced today that orders disposing of the pending Trans-Pacific Certificate Renewal Case, Doc. No. 5031, et al., and the West Coast-Hawaii Case, Doc. No. 5589 were being prepared for submission to President Eisenhower in accordance with his instructions transmitted to the Board by the following letter dated February 1, 1955.

"Dear Mr. Gurney:

"I am returning herewith without my approval the proposed orders of the Board in the West Coast-Hawaii Case (Docket No. 5589, et al.), and in the Trans-Pacific Certificate Renewal Case (Docket No. 5031, et al.).

"I approve the actions proposed by the Board in the Trans-Pacific case with reference to the applications of Trans World Airlines and Transocean Airlines. I do not approve at this time the permanent certifications of Northwest Airlines, but desire that its certificate be renewed on a temporary basis for seven years. The continuation of two United States flag carriers across the Pacific at this time is required by considerations of national defense and foreign policy. However, I believe that permanent certification of Northwest Airlines is premature as long as subsidy payments are necessary for its operations. A temporary certificate will provide the carrier with the opportunity to demonstrate its ability to operate without subsidies within a reasonable period of time, and will give the government the opportunity to review the matter when the certificate expires. I desire to hold in abeyance my decision concerning the use of the Great Circle route by Pan American pending further study and later report on the economic and technical feasibility and the military and foreign policy implications of nonstop service between the West Coast and the Orient.

"I approve the actions proposed by the Board in the West Coast-Hawaii case with reference to the applications of United Air Lines and Transocean Airlines. I do not approve at this time the continued certifications of Northwest Airlines on the Seattle/Portland-Hawaii route, but

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desire that the certificate of Pan American World Airways be renewed on a temporary basis. I believe that the choice of this carrier will contribute most to the sound development of our air transportation system in the Pacific.

"Accordingly, I request that the Board present for my approval revised orders in these cases, consistent with the above comments.

Sincerely,

/s/ Dwight D. Eisenhower

Honorable Chan Gurney
Acting Chairman
Civil Aeronautics Board
Washington 25, D.C."

In the Trans-Pacific Case, the revised order will provide for the following authorizations: (1) For Northwest Airlines, a Seattle/Portland-Anchorage-Tokyo route for a period of seven years; beyond Tokyo to Okinawa, Formosa, and Hong Kong, and beyond Okinawa to the Philippines, for a period of five years; and to Korea for a period of three years; (2) For Pan American World Airways a route from Hawaii to Tokyo and beyond to Hong Kong, for a period of five years; and between Hong Kong and points in India for a period of three years. Decision as to the renewal of previous authorizations to serve points in the Orient now in Communist hands will be deferred, as will PAA's application for service over the Great Circle route between the United States and Tokyo. Applications for new services filed by TWA and Transocean will be denied, and Northwest's previous authority to operate direct between the Twin Cities and Tokyo via Anchorage will not be renewed, although the question of local service between Anchorage and the Twin Cities remains for decision in the pending States-Alaska Case.

In the West Coast-Hawaii Case, the order to be approved by the President will not provide for renewal of Northwest's present service to Hawaii, but will authorize the continuation of PAA's existing Seattle/Portland-Hawaii route for a period of five years. United's present route from Los Angeles and San Francisco to Hawaii is to be made permanent, and the application of Transocean will be denied.

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