

IMMEDIATE RELEASE

February 7, 1955

Murray Snyder, Assistant Press Secretary to the President

THE WHITE HOUSE

The President today sent the following letter to Chan Gurney, Acting Chairman of the Civil Aeronautics Board

Dear Mr. Gurney:

I desire to amend my letter of February first with reference to the West Coast-Hawaii Case.

As you know, I believe in the strength of competitive enterprise if based upon sound economic considerations but it must not be wasteful duplication at the expense of the Federal Government. Both carriers operating on this Seattle/Portland-Hawaii route have built up substantial business. Moreover, since my original action in this case I have received from you information to the effect that within two years all air line subsidies in the Pacific area will probably have been eliminated or will at least approach that point. Renewing the certificates of both carriers for a limited period would afford them an equal opportunity to demonstrate their capacity to develop adequate traffic to operate without subsidy or to prove definitely that the route cannot economically support two carriers. Accordingly, I request the Board present for my approval a revised order in this case which would certify both Northwest Airlines and Pan American World Airways for operation between Seattle/Portland and Hawaii for a temporary period of three years from now.

Sincerely,

/s/ Dwight D. Eisenhower

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

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