

隊大運空署總濟救後善院政行  
CNRRA AIR TRANSPORT

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IN REPLY PLEASE QUOTE

OUR REF. NO. ....

July 11, 1947

Letter No. 30

Dear Doreen:

Replying to your letter dated June 25th with reference to our failure to keep you properly posted on CAT operations and plans, I must admit that you have considerable ground for complaint. Supplementing previous instructions, today I have requested Whitey and our Records and Reports Section to send you the following records and reports:

1. Weekly Traffic Report
2. Airplane Status Report - at least one per week.
3. C.O.L. Index - bi-monthly.
4. Fuel Consumption - monthly.

Actually Whitey's office takes care of all of these matters and I have been depending on him rather than upon my office to keep you informed. If you need information additional to the above reports, advise me.

Our operations have expanded in very satisfactory fashion. Beginning in March, they have almost doubled each month. In July we expect to carry almost one million ton miles of cargo in addition to a considerable number of passengers. From ~~of~~ the data on hand, which is incomplete, we believe expenses are covered at about 700,000 ton miles per month.

Most of the difficulties regarding the use of landing fields have been corrected. Our chief problems now are:

1. Obtaining regular allocation of foreign exchange for our U.S. account.
2. Maintaining airplanes in flying condition.
3. Housing of personnel.
4. Ground Transportation.

These problems require our constant attention and effort and leave Whitey and me little time for correspondence, either necessary or unnecessary. That is my only excuse for not keeping you better informed.

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Our future prospects are quite bright. We are now working on a contract to airlift more than 790 tons into Taiyuan from Peiping and Shanghai. We believe we have a permanent contract to move 300 tons per month each way Liuchow to Kunming. Another contract is to move a total of 500 tons in three months each way from Shanghai to Kunming; this is still under negotiation. We have been negotiating for some time for a contract to move 50 plus tons a month from Hankow to Sinkiang Province. This deal has been held up because the Sinkiang people do not have sufficient motor transport to distribute incoming cargo and bring down exportable goods to the air terminal. We are carrying a lot of Chinese mail and parcel post and quite a bit of commercial cargo in addition to contracts mentioned. Of course, all of these things take priority below CNRRA/UNRRA requirements and we are doing a good business for these organizations. I am giving you this for your personal information and future planning. It will not be necessary to inform UNRRA Washington of anything except the CNRRA/UNRRA Business and the volume of outbound cargo from inland points to the seacoast.

Whitey handles all of the financial matters and I cannot give you a statement of our situation today.

In my last letter dated July 10th, I wrote you about Tex.

You know that we are not going to fire you for bawling us out when we are at fault. In fact, you must have the information required in order to conduct your business there properly. I do read all the cables that come to my office, but I do not recall receiving the one informing me that you had sold the U. S. Treasury bonds. However, I instructed you to do this several times so that is all right. I will repeat my previous instructions to sell the General Motors common at 65, pay the note against the stock and deposit the balance in the National City Bank.

The deal regarding the check for \$2,000 was strictly a private one and may be somewhat illegal under Chinese law. Although I did not tell the lady who has the check the full details, I sold her \$2,000 for \$2,200 U. S. currency. The usual rate here is about 20 to 25% so she benefitted quite a bit from the deal.

I saw your cousin Mrs. Cormack recently just before she departed for Hongkong, and assisted her in completing another "illegal" transaction. She had to have a draft on a Hongkong bank in order to buy a ticket from Shanghai. Practically all business here now is being conducted in violation of Chinese laws but usually with the knowledge of Chinese officials.

I am very glad you made the trip to Waterproof and had a talk with ~~Ben~~ Chase. His statement covering the management of the St. Joseph filling station is satisfactory. I will write him soon.

I am also glad that you had the opportunity to visit Governor Noe and wish I could have been there to catch some nice fish for the

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continued

party. Young Jimmie is still here and we have drawn up a plan for his China tour. I had engaged a guide and interpreter for him prior to his arrival, but now the fellow wants too much and I do not know whether he will accompany Jimmie or whether I will have to engage a new man. I have appointed Jimmie Assistant Co-pilot so that he can fly as a member of CAT crews to some of the places he will visit. He is a good boy and I do not believe he will encounter any more dangers than are inherent to travel by air in any country. Some of his trips will have to be made via CNAC or CATC aircraft, but both companies have operated safely since February past.

Again I will repeat that I would like to have weekly letters covering my personal affairs and also CAT affairs. We can take action much better on weekly letters than if we wait until matters accumulate over a longer period of time.

Trusting that this will be of assistance to you, and with very best wishes, I am

Most sincerely,



C. L. Chennault