

*June 1958*

**RESPONSE TO CONGRESSIONAL REQUEST FOR INFORMATION ON  
U. S. GOVERNMENT PAYMENTS TO CIVIL AIR TRANSPORT, A  
NATIONALIST CHINESE AIRLINE**

ICA Headquarters circularized its missions in ten Far East countries for the requested information for the years 1953-1957. All missions have responded and the information reported, including information concerning payments by the military, is summarized below. Company officials were also contacted for additional information.

Three corporations are involved: Civil Air Transport Company Limited (CATCL), a Chinese flag airline majority owned by Chinese; Asiatic Aeronautical Company Limited (AACL), a Chinese corporation organized under the Chinese Foreign Investment Law, operating the maintenance activities and rendering services to CATCL under contract; CAT, Incorporated, of Delaware, a U. S. Part 45 Commercial Operator and investor in AACL and CATCL. For purposes of this report payments to three corporations are lumped, and the airline hereafter referred to as CAT is considered as a single entity.

**Reports received state:**

1. No direct U. S. Government subsidy has been paid to CAT.
2. All USOM air transportation contracts are awarded on a bid contract basis as approved by ICA Washington.
3. The Southern Air Materiel Area, Pacific, the Air Materiel Command agency in the area, reports that all U. S.

Air Force payments for contract overhaul and repair of airplanes and parts at the CAT maintenance base have been in accordance with Armed Services Procurement Regulations.

4. Payments under Army, Navy, and Air Force air transportation contracts are combined in the figures reported below. No, U. S. owned local currency or counterpart funds have been made available to CAT.

**Summary of Payments Reported:**

**USOM Payments (Transportation Contracts)**

| <u>Fiscal Year</u> | <u>U. S. Dollars</u> |
|--------------------|----------------------|
| 1953               |                      |
| 1954               |                      |
| 1955               |                      |
| 1956               |                      |
| 1957               |                      |

**Military Payments made under Transportation Contracts**

| <u>Fiscal Year</u> | <u>U. S. Dollars</u>      |
|--------------------|---------------------------|
| 1953 )             | Not immediately available |
| 1954 )             |                           |
| 1955 )             |                           |
| 1956               |                           |
| 1957               |                           |

**Military Payments under Maintenance Contracts**

| <u>Fiscal Year</u> | <u>U. S. Dollars</u> |
|--------------------|----------------------|
| 1953               |                      |
| 1954               |                      |
| 1955               |                      |
| 1956               |                      |
| 1957               |                      |

No Government funds are being paid to CAT for any other purpose.

Gross operating revenues of CAT as reported by the Company for the years 1953-1957:

Fiscal Year

U. S. Dollars

1953  
1954  
1955  
1956  
1957

|  |
|--|
|  |
|--|

|   | <u>The Pacific Corporation</u><br><u>Delaware</u><br>Owned<br>in<br>U.S.A. | <u>CAT Incorporated</u><br><u>Delaware</u><br>Owned by<br>The Pacific Corporation | <u>Asiatic Aeronautical Company Limited</u><br><u>China</u><br>Majority Owned by CAT Incorporated | <u>Civil Air Transport Company Limited</u><br><u>China</u><br>Majority Owned in China |
|---|--|---|---|---|
| <b>Board of Directors</b>                     |  |   |   |   |
| 1. Chairman                                   | Walker   | Chennault   | Chennault   | Wang  |
| 2. Vice Chairman                              | -  | walker  | walker  | -   |
| 3. Vice Chairman                              | -  | Doole   | Doole   | -   |
| 4. Member                                     | Read   | Ames  | Ames  | Chen  |
| 5. Member                                     | Doole  | Golet   | Golet   | Chennault   |
| 6. Member                                     | Richardson   | Grundy  | Grundy  | Grundy  |
| 7. Member                                     | Golet  | Read  | Read  | Tuan  |
| 8. Member                                     | -  | Richardson  | Richardson  | -   |
| 9. Member                                     | -  | Shaw  | Shaw  | -   |
| <b>Executive</b>                              | -  | -   | Campbell  | Loole   |
| <b>Executive Committee</b>                    |  |   |   |   |
| 1. Chairman                                   |  | Doole   | Loole   |   |
| 2. Member                                     |  | walker  | walker  |   |
| 3. Member                                     |  | Read  | Read  |   |
| 4. Member                                     |  | Shaw  | Shaw  |   |
| <b>Officers</b>                               |  |   |   |   |
| Managing Director and Chief Executive Officer | -  | Doole   | Doole   | Grundy  |
| President and General Manager                 | Doole  | Grundy  | Grundy  | -   |
| Vice President                                | -  | Robert  | Robert  | Green   |
| Vice President                                | Shaw   | Waste   | Green   | -   |
| Vice President                                | Burke  | Tuan  | Russelct  | -   |
| Vice President                                | -  | -   | Waste   | -   |
| Vice President                                | -  | -   | Tuan  | -   |
| Treasurer/Controller                          | Doole  | Hlatt   | Hlatt   | Hlatt   |
| Secretary                                     | Shaw   | Carter  | Carter  | Carter  |
| Assistant Vice President                      | -  | -   | Madison   | -   |
| Assistant Secretary                           | -  | Hill  | Hill  | Chang   |
| Assistant Secretary                           | -  | -   | Chang   | -   |
| Assistant Treasurer                           | -  | -   | Kitchell  | -   |

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