

(6) All trips return or circular except for groups of youths where one-way travel authorized at above fare level. Since the above fares are to be applicable for only one year, Air France is also studying more complete proposals the application of which would be for 1969 in the same direction.

Trans World Airlines will propose special promotional fares for west-bound originating traffic from Europe and the Mediterranean area to the United States, to be effective as soon as possible and to be valid through March 31, 1969:

A 25 percent reduction in the existing 14-21 day excursion fares, in the group inclusive tour fares and in the affinity group fares with the following conditions:

(1) The 14-21 day excursion fares will be extended to cover a period of 14-28 days.

(2) The only blackout period for these new fares will consist of a prohibition against westbound originating travel during the period August 16 through September 15, 1968.

(3) These fares are calculated on a basis of London to New York fares with appropriate adjustments to be made for trips originating east of London.

(4) No fare reduction shall produce a new fare less than \$200 net. For example, the present \$300 London to New York excursion fare would become \$225 and the present \$230 group inclusive tour fare would become \$200.

Pan American's proposal will call for basically a 25 percent reduction in all round-trip fares originating in Europe to the United States, only certain types of group fares being subject to a slightly lesser reduction. It contemplates that the normal first-class and economy-class fares would apply on a year-round basis, subject to the following restrictions:

(1) No eastbound (return) travel would be permitted during June or July, and

(2) No westbound (outbound) travel would be permitted during August or September.

During these limited restricted periods the present fares would continue to apply; however, the fares may be combined on a half-round trip basis applicable to the direction of travel. In the case of the 14-21 day excursion fares, present periods of application would continue subject to the above directional restrictions. However, the excursion fares may also be combined on a half-round trip basis using the fare applicable to the direction of travel. The group inclusive tour fare would apply during the same periods as at present—i.e., the \$200 level throughout the year except for the periods of excursion fare "blackouts" when \$250 would apply.

It is Pan American's view, based on elasticity data for transatlantic travel by European residents, that the proposed 25 percent fare reduction, if adopted, should increase the number of European visitors to