



EMBASSY OF THE

UNITED STATES OF AMERICA

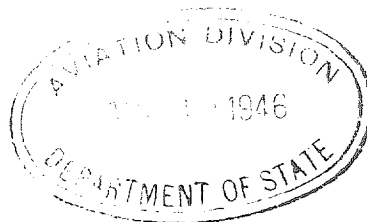
Habana, August 21, 1946

AIRMAIL

CONFIDENTIAL

No. 2073

Subject: Operations of Aerovias Q.



The Honorable
The Secretary of State,
Washington, D. C.

Sir:

I have the honor to refer to Department's air-gram No. 1043 of August 15 and Embassy's despatch no. 2059 of August 20, entitled "Operations of Aerovias Q", and advise that since this despatch was sent, the following additional information has been obtained by the Commercial Attaché regarding the operation of this Cuban company.

Aerovias Q now has five DC-3's. They are gradually reducing them to impotency through a process of cannibalism, taking parts from one machine to use in another. The Embassy's informant, Warren PINE, of Pan American and Cia. Cubana de Aviacion, said that he did not expect any competition from this company from a real operating point-of-view and was inclined to agree with the opinion expressed on several occasions by others that Aerovias Q was too ambitious a proposition and that it would eventually fall by the wayside if it failed to create for itself a sufficient nuisance value to result in a profitable sale to some local company.

Mr. Donald STEWART, Vice President of Expreso Aero Interamericano, stated in strictest confidence that his company had been approached by Aerovias Q

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with a proposition to sell, but that they would not touch it. Mr. Stewart further stated that they recently were hiring stewardesses for their own lines and one applied saying that she had been employed by Aerovias Q for three months on the Habana-Varadero run and, while she had received a uniform, she had received no pay in that period.

It would appear from what can be learned that Aerovias Q is not adequately financed and that the "investments" of Colonel Genovevo PEREZ and Inocente ALVAREZ, Minister of State, and other persons highly placed in the Cuban Government have not been accompanied by investments of funds but merely an investment of influence in return for blocks of stock. One of the financiers of the venture is reported to have said that they are scraping the bottom of the barrel.

The matter of Aerovias Q is one of great interest in local aviation circles. It is being followed closely and will be reported on as occasion warrants.

Respectfully yours,

For the Ambassador:


George C. Howard
Commercial Attaché

File no. 879.6
GCHoward/dml/jw

To Department in original and hectograph

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