

HUGHES AIRWEST

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Hughes Air Corp.

March 1975

Happy Anniversary!

Hughes Airwest will celebrate its fifth anniversary under Hughes management on Thursday, April 3—a milestone symbolically marking our emergence as a strong and viable air transportation company.

The most significant achievements in the half-decade since April 1970 are:

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Transactional analysis leaders

Stewards and stewardesses have been receiving interpersonal training in two-day sessions held at the four domiciles throughout March. The program—based mainly on transactional analysis—was designed and is being led by nine follow flight attendants with technical assistance from the Wilson Learning Corp. The leaders, from left above are: (seated) Marcia Goodman, Manoie Hendershot, Teri Dalton and Kay Peterson; and (standing) Judy Clark, Ivan Cordo, Cathy Dollarhide, Terri Hughes and Elizabeth Nulf. Training, by one of these flight attendants, will be presented to marketing management employees and offered to management personnel in other departments of the company in the near future.



1974 Stations-of-the-Year

Increasing cargo trends continuing in '75

Hughes Airwest's continued growth in aircargo was highlighted last month when seven stations were honored for achievement in 1974.

Station-of-the-Year plaques were presented to the leading stations in each of the four classes for winning Plaques for Progress the most times last year; additional recognition was given to those stations that showed the greatest net gain in cargo revenue on a month-to-month basis.

Plaques for Progress are given monthly to the four stations showing the greatest gain over the same month a year earlier. The program has existed for three years.

Seattle led among Class A stations. It won the plaque the most times (three) and showed the greatest net gain (\$5,700) in revenue.

Other stations winning the Station-of-the-Year award were: Spokane, Class B, which won the monthly plaque four times; Guadalajara, Class C, also four times; and Stockton, Class D, two times.

The other month-to-month revenue gain leaders were: Portland, Class B, \$4,400; Santa Maria, Class C, \$4,700; and Guaymas, Class D, \$600.

We showed an increase in cargo ton miles flown each month last year. For the entire year, our cargo ton miles increased 7 per cent; among all U.S. scheduled carriers, cargo ton miles (domestic and international) increased only 2 per cent.

Tons of cargo we boarded last year were up 4 per cent over 1973.

The trend appears to be continuing into 1975. We flew 7.1 per cent more cargo ton miles in January and February than in the first two months of 1974.

U.S. scheduled airlines as a whole experienced a 9.1 per cent drop in domestic cargo in January. (February figures are not yet available.) In addition, Hughes Airwest is the

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New title, logo for our cargo operations

In recognition of the growing importance of cargo, the company changed the name of this function from "air freight" to the more encompassing "Aircargo".

The term Aircargo includes freight, mail and express.

A new logo for quick recognition of Aircargo within the industry and to our customers has been designed—a colorful, expanded version of the unique identification on our aircraft and at the airports we serve. The logo will be used on stationery, business cards and other printed matter, and at cargo facilities.

Cargo brochures and rate cards are also being prepared and giveaways are available for cargo sales promotion.

AIRCARGO

Q and A Corner

(Note: The following questions were answered by Russell V. Stephenson, marketing vice president.)

Q. What is our advertising budget for 1975, compared with actual advertising expenditure for 1974?

A. Two plans have been developed, one at \$2 million and one at \$2.5 million. Expenditures in 1974 were about \$1.9 million.

Q. What are our over-all advertising themes for 1975? Where is the emphasis?

A. Marketing emphasis as a whole will be about equal among the three elements of passenger travel: leisure, personal (visiting friends and relatives) and business. However, advertising will emphasize leisure themes. Personal travel is expected to be the most difficult to generate this year. For Mexico, we are using the theme "Paradise for Pesos". Other themes are still being developed.

Q. On what media are we concentrating?

A. The media mix has been shifted to some extent from radio (which has been dominant) to print (primarily newspapers, with some magazines). Radio will continue to receive at least 40 per cent of our advertising dollars. Limited television and outdoor boards are still being used. Costs of television production and placement generally forces us to use it on only one subject. Mexico has been that subject for the past three years and will continue to be through at least the first half of this year.

Q. What is our current passenger ratio of family pleasure travel to business travel? Do we see a change in this ratio in 1975?

A. We now break down our traffic into three categories: business, leisure and personal (visiting friends and relatives). An October 1974 survey taken by flight attendants showed the percentages to be 50, 25 and 25, respectively. We expect about the same ratio this year.

Q. What are we doing to develop personal or family travel, in addition to our normal package and tour offerings?

A. Development of the personal element of leisure/personal travel is not complete. Because of current economic conditions, it is expected to be the most difficult to expand in 1975. At the moment, we are concentrating on business and leisure travel.

Q. What special markets, such as sports, ethnic or age, are being emphasized in our advertising and marketing plan for this year?

A. Skiing, golf and air/sea.

Four Ontario baggage ring suspects arrested

Alertness and prompt investigation by employes has led to the arrest of three suspects in the theft of 75 pieces of luggage at Ontario International Airport.

Leo Stec, Ontario station manager, and Burt Pedersen, baggage services consumer affairs manager in San Mateo, noticed an increase in lost baggage claims starting in December. In January, a credit card was used that its owner had reported "lost" with baggage.

After comparing notes and finding that other airlines were experiencing the same trends in lost baggage claims, the FBI was called in because three of the airlines are interstate carriers.

After four days of investigation and surveillance late last month, three persons were arrested and much of the baggage was found at an Ontario apartment.

Police believe the thieves merely walked into the crowded baggage area, grabbed a few bags and tossed them into a waiting car.

FINANCIAL RESULTS

	Feb., '75*	Feb., '74*
Operating revenue	\$12,655	\$12,001
Operating expense	12,994	10,397
Operating earnings (loss)	(339)	1,604
Non-operating earnings (loss)	(261)	(121)
Provision for taxes	—	16
Net earnings (loss)	(600)	1,497
	Year-to-Date*	
Operating revenue	\$26,118	\$24,059
Operating expense	26,647	21,499
Operating earnings (loss)	(529)	2,560
Non-operating earnings (loss)	(568)	(247)
Provision for taxes	—	16
Net earnings (loss)	(1,097)	2,297

*All data in thousands (add 000).

Staff reversal

CAB reviewing fam trip limits

The Civil Aeronautics Board staff has reversed its earlier action limiting the number of travel agents we can take on international familiarization trips annually.

The board will review the limitations. Hughes Airwest petitioned the board for such a review last month.

Our petition came after the CAB denied our request for permission to take up to 600 U.S. travel agents to Mexico this year. The board had set a ceiling of no more than 500 agents who may be taken to any one country a year, to be divided among all airlines serving that country.

RPMs up, but boardings drop

Our revenue passenger miles (RPMs) last month increased 1.2 per cent to 113,887,600 from 112,487,300 in February 1974.

Passenger boardings, however, declined 4.6 per cent during the period to 274,800 from 288,000.

Systemwide passenger density (the average number of passengers flying per mile) dipped 9.1 per cent to 45.9 from 50.0, while the average load factor (the percentage of seats filled) decreased to 52.5 per cent from 61 per cent.

Cargo ton miles gained 3 per cent to 649,700 from 631,000, but the tons of cargo boarded dropped 2.8 per cent to 1,599 from 1,645.

Year-to-Date

RPMs during the first two months of 1975 jumped 2.5 per cent to 236,036,200 from 230,312,500, but passenger boardings fell 3.2 per cent to 564,100 from 583,000.

Density declined to 45 from 48.6, while the average load factor decreased 7.7 per cent to 51.3 from 59.

Cargo ton miles advanced 7.1 per cent to 1,353,600 from 1,264,100 and the tons of cargo boarded edged upward nearly 1 per cent to 3,345 from 3,323.

TRAFFIC SCOREBOARD

	Feb., '75	Feb., '74	% Change
PAX	274,791	288,017	- 4.6
RPM	113.9 mil.	112.5 mil.	+ 1.2
ASM	217.0 mil.	184.3 mil.	+17.8
Load factor	52.5%	61.0%	
PAX density	45.9	50.5	- 9.1
Cargo ton miles	649,660	630,964	+ 3.0
Cargo tons brd.	1,599	1,645	- 2.8
On-time	77.7%	78.6%	
	Year-to-Date		
PAX	564,097	583,009	- 3.2
RPM	236.0 mil.	230.3 mil.	+ 2.5
ASM	459.7 mil.	390.3 mil.	+17.8
Load factor	51.3%	59.0%	
PAX density	45.0	48.6	- 3.6
Cargo ton miles	1.4 mil.	1.3 mil.	+ 7.1
Cargo tons brd.	3,345	3,323	+ 0.7
On-time	76.3%	71.8%	



THE GRADS—Twenty flight attendants were graduated March 19. Participating were marketing vice president Russell V. Stephenson, who presented the diplomas, industrial relations staff vice president Ron Carlson, who did the wing pinning, and Dottie Smith, acting inflight services director. The graduates will be assigned to domiciles as flight attendant vacancies occur. Pictured from left with hometown, are: (front row) Helen Robinson, Las Vegas; Jo Hillyard, San Mateo; Connie Stuart, Eugene, Ore.; Stephanie Watson, Belmont, Calif.; and Robbie Reynolds (valedictorian), Fremont, Calif.; (second row) Sharon Woods, Los Angeles; Sandie Belcastro, San Carlos, Calif.; Bonnie Kirkman, Seattle; Rosemary Miller, Sausalito, Calif.; Jim Courant, Foster City, Calif.; Joan Gonsalves, San Leandro, Calif.; and Gayle Larsen, Burlingame, Calif.; (back row) Douglas Jasa, San Jose; Pat Dennis, Vallejo, Calif.; Paul Bristo, Meadville, Penn.; Salli Dahlquist, Phoenix; Cindy Clarke, Tempe, Ariz.; Nancy Crawford, Las Vegas; and Peggy Carlton, Fremont, Calif. Not pictured: Yolanda Gonzalez, San Jose. This is the last class of flight attendants the company expects to train before the end of the year.

Kingman to be suspended; Redmond temporarily stopped

The Civil Aeronautics Board has granted our request for a three-year suspension of service at Kingman, Ariz.

An effective date has not been established.

Bonanza Air Lines, one of our predecessors, began serving Kingman in 1949. Cochise Airlines will continue service there.

We have also temporarily halted service at Redmond/Bend, Oregon, during runway repairs.

Great Falls gets new terminal; Calgary complex postponed

The new terminal building at Great Falls International Airport will be completed and ready for operation by April 1.

We plan to move to the building and begin service from there that morning.

In Calgary, Canada, the new Air Terminal Complex—originally scheduled for completion in 1976—has been rescheduled to open in the fall of 1977.

Rapid growth of traffic and establishment of U.S.-bound passenger customs pre-clearance have caused design delays.

Esquire's 'Business in Arts'

Company named for award

The San Mateo County Arts Council has nominated Hughes Airwest to receive a "Business in the Arts" award.

The award—sponsored annually by "Esquire" magazine and the Business Committee for the Arts—is for "noteworthy corporate programs in support of the arts."

The company over the last two years has been the initiator of several art activities in Mexico and the U.S., including exchange of art and artists and sponsorship of competitions and exhibits. Most of them involved the Department of Fine Arts of the State of Jalisco, Mexico.

A traveling exhibit, "Contemporary Art from Jalisco", is currently circulating in states west of the Mississippi as a result of efforts by Hughes Airwest and the San Mateo County Arts Council.

The company also assisted in arranging a one-man show of the works of San Mateo Community College artist Vince Rascon in Guadalajara. As a result of the exchange, a program for ceramics, glass and printmaking has been instituted at the Jalisco art school there.

Roscon plans to do a mural on three sides of the theater at San Jose City College, in collaboration with a Mexican artist to be selected in Guadalajara.

We also sponsored exchange of art and artists between Jalisco and the San Francisco Arts Festival and local juried art shows at our international headquarters.

The San Mateo County Arts Council said in its nomination for the "Business in the Arts" award that the company's activities were "the beginning of a cultural exchange" that is "serving as an outstanding example of how business can assist the arts."

The nomination was "enthusiastically" supported by the Western Association of Art Museums.

Winners of the award will be announced by mid-June and featured in the July issue of "Esquire."

Russell V. Stephenson, marketing vice president, is chiefly responsible for initiating and coordinating the company's art activities.

Burma and Nepal operations viewed by two officers

General manager **Irving T. Tague** visited two of our six overseas technical assistance operations last month.

Tague and **Robert K. Jorgensen**, maintenance staff vice president, visited the countries of Burma and Nepal.

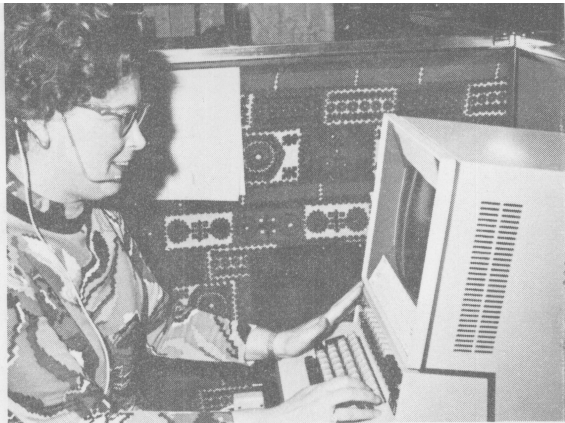
They met with the managing director of Burma Airways and the deputy general manager of Royal Nepal Airlines.

Our contracts with the two airlines are for maintenance assistance and were the first two signed by the company—in 1969 with Burma and 1972 with Nepal. Five Hughes Airwest maintenance employees currently are assigned to the projects.

While in Nepal, Tague presented **John Krekelberg** with his 15-year anniversary pin at a dinner hosted by **Jorge Mayor** of our Burma operations.

They also attended the procession for the king's coronation in Katmandu, capital of Nepal.

'TOPS'—Ann Eastman, San Francisco reservation agent, has received an Outstanding Service Award from the Airline Passengers Association, a national consumer group based in Texas. The award was the result of comments by an APA member. He wrote that Eastman "on the reservation phone made the extra effort to help me get on the best flights for my next week's work schedule. She was extra pleasant, very knowledgeable, and made it very enjoyable putting together a tough, out-of-the-way schedule. She is tops in my estimation." The award included a check for \$25. She will be featured in the APA's publication. Eastman joined us in 1969 as a reservation and ticket agent in Eureka. In 1971, she transferred to the regional telephone sales office in San Francisco.



TRANSITION

WELCOME ABOARD—June West, executive secretary, operations administration, San Francisco. Donald Fogle, technical support software communications specialist, Phoenix. Vivian Stephenson, assistant to the consumer affairs director, San Francisco. Albert Pitts, maintenance supervisor, Mauritania operations. Nancy Williams, junior accounting clerk, treasury, San Francisco. Kaydell Edwards, junior accounting clerk, flight records, San Francisco. John Guy and Thomas Clark, maintenance technicians, Santa Ana. Edward Sutphen and Billy Confer, hanger maintenance technicians, Phoenix. Stanley Olsen, avionics technician, Los Angeles.

PROMOTIONS—John Ford to quality control technician, Phoenix. Donna Hinds to intermediate accounting clerk, treasury, San Francisco. John Destiche to inventory control supervisor, Phoenix. Gary Farr to supply warranty claims analyst, Phoenix. Henry Parent to maintenance control supervisor, Phoenix.

RETIREMENTS — Stanley Waddell, lead technician, engine shop, Phoenix, after 28 years with the company. He started as a maintenance crew chief with Empire Air Lines and was a foreman with West Coast Airlines.

Leta Proctor, crew scheduler, San Francisco, after 14 years with the company. She began with Pacific Air Lines as a crew schedule clerk. Previously, she was a maintenance records clerk with Southwest Airways.

CARGO . . .

(Continued from page 1)

only mainland regional carrier that has shown consistent cargo increase in recent months.

Small companies unable to ship their goods by the container method are relying on us more instead of using rail or truck, according to Bob Donahue, cargo sales and administration director.

This, plus our increased capacity especially to and from smaller cities, has contributed to the gains.

Regional cargo sales managers are: Dan Donnelly for the northwest (Northern California, Oregon, Washington, Idaho, Utah and Canada), based in Portland; and Bill Allen for the southwest (Southern California, Arizona, Nevada and Mexico), based in Los Angeles.

SERVICE ANNIVERSARIES

These employees celebrate service anniversaries during March:

TWENTY-FIVE YEARS

SANTA BARBARA—Howard Parker, station manager. PHOENIX—Arthur Ludt, production control analyst.

TWENTY YEARS

TWIN FALLS—Theral Parish, chief station agent. PORTLAND—Waldo Dobson, maintenance technician. LAS VEGAS—James Stamps, captain.

FIFTEEN YEARS

KLAMATH FALLS—Jerry Maxwell, chief station agent. SANTA MARIA—Henry Carr, chief station agent. PHOENIX—Melvin Reed, lead supply stock clerk. John Palmer, station agent. SANTA BARBARA—Max Kaman, station agent. LOS ANGELES—Andrew Burtenshaw, station agent. SAN FRANCISCO—Marie Ambler, crew scheduling supervisor. William Rampone, flight operations technical services manager. Perry Dove, captain. Russell Ford, telephone sales training & procedures manager.

TEN YEARS

PHOENIX—Don Hatfield, captain. Richard Jeppesen, first officer. Chris Leyva, station agent. Linda Gram, flight attendant. Richard King, engine shop technician. Jack Ruppel, ground equipment shop technician. Mary Mann and Phyllis Sherer, reservation agents. Robert Jorgensen, maintenance staff vice president. PORTLAND—Gary Graupensperger, supply stock clerk. LOS ANGELES—William Douglas, maintenance technician. Robert Stevens, assistant station manager, passenger service. Jack Eggleston, reservation agent. SACRAMENTO—John Austin, station agent. YAKIMA—Frances Kautzman, station agent. SANTA ANA—Charlie Rupert, station agent. SPOKANE—Charles Brownfield, station agent. SEATTLE—Peter Lough, station agent. Mary Lord and Diane Seward, flight attendants. James Jones, reservation agent. SAN FRANCISCO—William Dellinges, station agent. Judith Jones and Donna Torres, reservation agents. John Long, senior budget analyst. Sam McBride, senior buyer. Helen Grimes, intermediate accounting clerk.

FIVE YEARS

SAN FRANCISCO—Lily Dexter, senior transcription operator. PHOENIX—Joseph Gottschall, avionics technician.

IN MEMORIAM

Frank M. Ochotzki, chief station agent, Burbank, March 8. He joined us (Southwest/Pacific) as a station agent in Burbank in 1956. Survived by a wife and two children. He was 49.

Milton Kompst, father of Stanley Kompst, first officer, Phoenix, Feb. 5.

Peter Ardy, father of James Ardy, captain, Phoenix, Feb. 25.

Fannie King, mother of John King, maintenance technician, Pasco, March 3.

Las Vegas employes assist retarded children

Six Las Vegas employes are accompanying retarded children from the Nevada Mental Institution near Reno on holiday visits to their parents in Las Vegas.

The employes—who have been making the trips on their own time for several years—are: flight attendants Palma Jaia, Jane Knoll, Ginny Koch, Sheila Steed and
(Continued on back page)

Peppler advances -- labor relations manager

Tom Peppler has been promoted to labor relations manager. He has been with the company as a labor relations representative since 1973.

He will continue to assist in the arbitration and negotiation of our labor contracts.

Peppler, 30, attended Princeton University and the University of Arizona, where he received a juris doctorate degree.

FROM THE PASS BUREAU . . .

Two new features of the company's employe pass policy have proved quite popular, according to Jean Wade, sales administration manager.

Employees have shown a "fantastic response" to the new service charge waiver coupons issued for the first time this year.

"They appreciate the convenience and the fact that they can distribute them as they wish among family members," Wade said.

Previously, employees had to apply through the pass bureau to get their two-a-year service charge waivers. The new coupons have reduced the pass bureau's heavy work load, according to Gladys DeRosia, supervisor.

Adult Child

Many employees have also taken advantage of the adult child pass privilege—begun as an experiment in Sept. 1973 and continued this year.

Under the program, children of employees, through age 30, are eligible for one service-charge pass or one 50 per cent reduced rate authorization on Hughes Airwest each year. This supplements other privileges enjoyed by dependent children of employees (i.e. children under age 21 and college students under 25).

Credit Cards

The company will continue to accept credit cards in payment of employe travel.

However, since the company must pay a service fee to the credit card companies, it is requested that employees use cash or a check whenever possible.

If a credit card is used, Master Charge or BankAmericard are preferred; they charge the company only 1.5 per cent and 2.3 per cent, respectively. American Express charges 3 per cent; Diners Club and Carte Blanche charge 3.5 per cent.

Hughes Airwest installs Idaho's first airport X-ray

Idaho's first airport security X-ray machine has been installed at Boise Municipal Airport by Hughes Airwest.

It eliminates the need for passengers' carry-on baggage and other personal articles to be manually searched—an FAA-required procedure that frequently results in long lines and time-consuming delays.

HEIR FARE

To Elizabeth and John Tedford, station agent, Idaho Falls: a boy, John Clayton, 8 lbs. 2 oz.; Feb. 25.

To Pedro and Madelyn Rodriguez, passenger service agent, Puerto Vallarta: a girl, 8 lbs.; March 1.

Among eight regionals

Company's profit 3rd in U.S.

Hughes Airwest moved from fourth to third place—behind Frontier and North Central—in net profit earned by eight mainland regionals last year, compared with 1973.

Allegheny held third place in 1973 when it was receiving subsidy; it dropped from that position last year when it was not receiving subsidy.

Allegheny continues to hold first place in operating revenues and expenses, with Hughes Airwest continuing in second.

We showed the second highest percentage increase—behind Southern—in operating revenues last year, but the fourth highest percentage increase in expenses.

Last year's record net earnings for the eight regionals were up 59 per cent. Revenues gained 20.3 per cent and expenses rose 18.5 per cent.

REGIONALS 1974 FINANCIAL RESULTS

(Add 000)

(Numbers in parentheses are comparative 1973-74 rankings.)

	1974	1973	% Change
FRONTIER			
Operating Revenues	\$153,038 (3)	\$129,124 (3)	+18.5 (5)
Operating Expenses	138,734 (3)	119,559 (3)	+16.0 (5)
Net Profit	9,386 (1)	7,606 (1)	—
NORTH CENTRAL			
Operating Revenues	\$151,490 (4)	\$127,983 (4)	+18.4 (6)
Operating Expenses	133,496 (4)	115,982 (4)	+15.1 (6)
Net Profit	8,204 (2)	6,447 (2)	—
HUGHES AIRWEST			
Operating Revenues	\$159,853 (2)	\$130,110 (2)	+22.9 (2)
Operating Expenses	147,520 (2)	123,820 (2)	+19.1 (4)
Net Profit	7,800 (3)	4,600 (4)	—
PIEDMONT (Not including general aviation division)			
Operating Revenues	\$136,712 (5)	\$111,448 (5)	+22.7 (3)
Operating Expenses	117,143 (5)	98,277 (5)	+19.2 (3)
Net Profit	6,291 (4)	2,806 (5)	—
ALLEGHENY			
Operating Revenues	\$368,547 (1)	\$328,501 (1)	+12.2 (7)
Operating Expenses	349,889 (1)	308,463 (1)	+13.4 (7)
Net Profit	6,024 (5)	6,212 (3)	—
SOUTHERN			
Operating Revenues	\$108,352 (7)	\$ 84,609 (6)	+28.1 (1)
Operating Expenses	101,469 (7)	83,120 (6)	+22.1 (1)
Net Profit	3,482 (6)	417 (6)	—
OZARK (Closed by strike April 19-July 5, 1973)			
Operating Revenues	\$117,851 (6)	\$ 81,610 (1)	+44.4 *
Operating Expenses	110,425 (6)	79,112 (7)	+39.6 *
Net Profit (Loss)	3,287 (7)	(170) (8)	—
TEXAS INTERNATIONAL (Closed by strike starting Dec. 5, 1974)			
Operating Revenues	\$ 91,900 (8)	\$ 77,200 (8)	+19.0 (4)
Operating Expenses	89,231 (8)	74,525 (8)	+19.7 (2)
Net Profit	401 (8)	319 (7)	—

* Ozark's per cent of change in operating revenues and expenses are not ranked because of the 1973 strike which distorts these figures.

TRAVEL BARGAINS

Thirteen Las Vegas hotels have set their interline rates for 1975. (Most offer the same rate for single or double; if two rates are shown, the second is for double.) The hotels are: Circus Circus, \$16; Caesars Palace, \$18; Flamingo Hilton, 50%; Frontier, \$20; Hacienda, \$16; Holiday Inn, 50%; Landmark, 25%; Hilton, 50%; Sands, \$16/18; Royal, \$16/\$20; Thunderbird, \$16; Tropicana, \$20; and Union Plaza, \$18/\$20. Restrictions vary; check with individual hotel.

* * *

An American River Ride for Hughes Airwest employes is being organized by Odyssey Explorations. The 25-mile raft trip from Chili Bar to Folsom Lake, Calif., will be June 14-15. The rate is \$60 per person, including food. For brochure, write Route 1, Box 62-0, Sutter Creek, Calif. 95685; phone (209) 296-7607.

* * *

For \$50 per person, employes and immediate family can travel roundtrip from Los Angeles to Honolulu on selected flights, positive space, on Continental Airlines, now through May 15. Complimentary roundtrip space-available passes for interliners traveling from Continental's cities to Los Angeles to take advantage of the Hawaii offer are also available. Contact the nearest Continental sales office, or phone (800) 621-6104 toll-free. Ask for the "Hawaii 5-0" interline brochure.

100 attend first systemwide tennis tourney

More than 100 employees and their spouses participated in the first systemwide tennis tournament last month in Tempe, Ariz.

Men's and women's singles in the championship division were won by **Richard Jeppesen**, Phoenix first officer, and **Ursula Hinson**. Ursula and **David Hinson** won the mixed doubles, and she along with **Alice Herdman**, San Francisco flight attendant, captured the women's doubles. **Ken Harris**, Phoenix first officer, and **Barry Hill**, husband of San Francisco flight attendant **Pam Hill**, took the men's doubles.

In the social division, **Lowell McDonald**, Phoenix captain, won the men's singles and, with **Claud Dunning**, Las Vegas captain, captured the men's doubles. **Carol Tague**, wife of general manager **Irving T. Tague**, took the women's singles; she and **Louise Ashton**, wife of planning vice president **Terry Ashton**, won the women's doubles. Mixed doubles victors were **Maureen** and **Eric Chow**, senior crew scheduler in San Mateo.

Jeppesen organized the meet and will represent us at the national interline tournament. He hopes to make our match an annual event.

'Paradise for Pesos' -- savings on Mexico travel, hotels; million-dollar promotion

Five days in Mazatlan are being offered by Hughes Airwest in a new "Paradise for Pesos" low-cost vacation package.

It features four nights at one of 12 hotels, roundtrip ground transportation between Mazatlan International Airport and the hotel and a welcome cocktail.

The package cost starts at \$36.65 a person, double occupancy, with special discounts available for extra nights.

This base cost will be reduced to \$31 beginning May 1.

Reno services agreement signed with Sun Valley Key

Hughes Airwest is providing complete ground-handling services for Sun Valley Key Airlines in Reno.

Sun Valley Key—which serves 11 cities in Utah, Idaho, Nevada and Colorado—began daily flights between Elko, Nev., and Reno on Feb. 14 as a continuation of its service between Salt Lake City and Elko.

Under the contractual agreement, we are providing ticketing, baggage and freight service for the commuter in Reno.

46.9% of February revenue

Impact of agencies growing

Travel agents are playing an increasingly important role in sales.

They were responsible for 40.3 per cent of our revenue last year (60 per cent of our Mexico business)—up from 36 per cent in 1973 and from 28 per cent in 1969.

Our goal in 1975 is to reach 44 per cent of our revenue generated by agents, according to **Don Rickel**, agency sales manager.

This year's agency sales have started us on our way toward the new goal: they constituted 42.2 per cent of our revenue in January and 46.9 per cent in February.

"With increased-quality tour packages and an improved route structure, 1975 should be a good year" for agency sales, according to Rickel.

Another indication of increased sales through agents is the airline's teleticketing operation in Los Angeles. It wrote a record 3,428 tickets in January and transmitted them directly to agents and commercial accounts. When we hooked into the national computerized network a year ago, it was predicted that only 500 tickets a month would be written through the network.

Company promotions this year will include: 26 agent familiarization trips to Mexico; fam trips to Canada and within the U.S.; and a special Las Vegas promotion in June.

In 1969 there were 6,152 travel agent locations in the U.S.; today there are 9,680.

Passengers to help us celebrate

(Continued from page 1)

- A dramatic financial turnaround from a \$20-million 1969 deficit—inherited from the previous management—to a 1974 year-end net profit of \$7.9 million.
- Sharply improved traffic performance, including: passenger boardings, up 26 per cent; revenue passenger miles flown, up 62 per cent; passenger density (the average number of passengers flying per mile), up 50 per cent; and average trip length, up 28 per cent.

In addition, during the five-year span, the number of Hughes Airwest all-jet cities has jumped 250 per cent, from 8 to 28, and our DC-9 jet fleet has increased 85 per cent from 20 to 37.

The anniversary celebration will include an international birthday party at McCarran International Airport in Las Vegas, busiest airport in the system.

A giant birthday cake and complimentary coffee will be served in our rotunda throughout the day to passengers awaiting flights.

In addition, individual birthday cakes will be served on flights and youngsters will receive birthday balloons and pilot and flight attendant wings.

On a typical Thursday, Hughes Airwest operates about 400 scheduled departures and carries about 10,000 passengers.

'Sundancer' inflight magazine has a birthday, too; its third

April—the fifth anniversary of the airline under Hughes management—also will be the third birthday for "Sundancer", our inflight magazine.

"Sundancer" is published for us by East/West Network, Inc. of Los Angeles, in addition to magazines for PSA, United, Pan Am, Delta and Continental, among others.

The April "Sundancer" will be 68 pages, one of the largest ever published, according to East/West.

RETARDED . . .

(Continued from page 4)

Dolores Wilson, and **Joyce Miller**, inflight service clerk-typist.

The children range in age from 2 to 12.

According to **Phyllis Ahlswede**, Las Vegas inflight service manager, "cooperation by Las Vegas and Reno passenger agents has aided these employees in making their journeys less troublesome than one might assume."

A savings of up to \$25 in roundtrip air transportation between seven cities and Mazatlan on selected days is available when the fare is purchased as part of the special package.

The seven cities are Las Vegas, Oakland, Sacramento, Salt Lake City, San Francisco, San Jose and Seattle.

"Paradise for Pesos" is our new "umbrella" approach to Mexico marketing efforts. The million-dollar advertising and marketing promotion is designed to increase our traffic to Mexico.

As part of the program, the company has produced five films—one on each of our Mexico destinations.