

MESABA ON THE MOVE

A MONTHLY PUBLICATION PRODUCED ESPECIALLY FOR EMPLOYEES AND FRIENDS OF MESABA AVIATION, INC.

VOL. 2 • NO. 1 • SEPTEMBER 1987

Thompson Hired as V.P. Administration

Former Air Wisconsin officer sees tremendous opportunities with Mesaba

Patrick J. Thompson has been hired by Mesaba Aviation, Inc., as Vice President of Administration, according to Robert D. Swenson, President of Mesaba. He will be based at Mesaba's general office in Minneapolis.

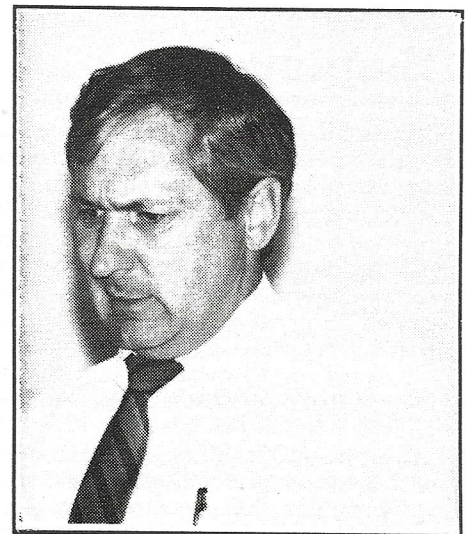
In a release to employees on August 21, Mr. Swenson said that Pat Thompson would begin work with Mesaba in mid-September and would be responsible for the areas of personnel, purchasing, stores and several other areas.

Mr. Thompson comes to Mesaba from Air Wisconsin, a United Express Carrier based in Appleton, Wisconsin. There, Mr. Thompson had been serving as Senior Vice President of Operations. Prior to working with Air Wisconsin, he

held several other senior management positions with Mississippi Valley Airlines, including Vice President of Marketing and later President and CEO of the carrier.

Rob Swenson said he was pleased that Mesaba was able to secure Mr. Thompson in the Administrative position. "Pat Thompson's track record in the industry is excellent and he brings many years of experience to Mesaba," Swenson said in a release to the carrier's employees.

Thompson, who has been working in the regional airline industry for 17 years, said he was excited to go to work for Mesaba. "I think the opportunities here are tremendous. I like the company. I like the people," he said. A former U.S. Air Force jet fighter mechanic, Thompson started his career in the airline industry as an airplane groomer and mechanic with Mississippi Valley Airlines while he attended the Uni-



Pat Thompson, New VP of Administration for Mesaba. "He is known for being a people person," say many in the industry.

versity of Minnesota in Winona. He said that he is excited and fortunate to have worked in and seen "all aspects of the business."

Mr. Thompson and his wife Jan, and children Ryan (10), Annika (2) and Trevor (1) will reside in the Twin Cities area.

Bertha Reader Retires from Mesaba

Friday, August 28th was both a sad and a happy day for Mesaba payroll technician Bertha Reader. Sad because, after 11 years of employment with Mesaba, she finally decided to stop working formally and officially step down from her position with Mesaba. She was happy though, because as she looks back at the many fine and memorable moments experienced during her tenure with the carrier,

she knows that her memories of its people and growth will live on forever.

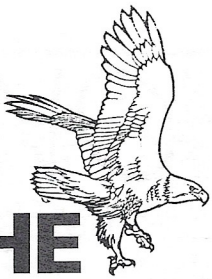
Ms. Reader, a native of Grand Rapids, Minnesota, started work with Mesaba on April 13, 1976 in a position which in her words, "was advertised as part-time, but became full-time right away." Having begun in the accounting department in Grand Rapids,

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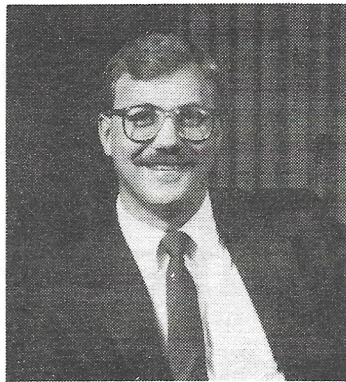
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Explore this month's Mesaba Close-up to see what Company benefits are available.



THE EAGLE'S NEST

PRESIDENT'S LETTER
Robert D. Swenson



Dear Employees:

Sometimes it is necessary for us to take the time to reflect back upon our Company's progress and what we have accomplished in this dynamic industry. The past ten years of airline history have been the most turbulent and difficult of any period in time. Historians will properly refer to this time period as "Deregulation," whereas I will perhaps recall it as a period of "All out competition."

At the time this turbulent era began, Mesaba was basically bankrupt and operated a six-passenger Cessna 421 between Grand Rapids, Minnesota and Minneapolis. We carried 375 passengers in the month of December 1978; one third the number of passengers we presently carry in a day.

It would seem logical that only the strong would survive as deregulation unfolded, and yet there were those of us with the belief that our Company would also survive and grow within this industry. At one time, I remember Mesaba being about 178th out of the 180 to 200 commuter carriers in the industry (we were called commuters at that time, a term I still sort of find appropriate, but no longer use).

Throughout the years, we survived while approximately 150 other regional/commuters have failed. In fact, there are only approximately 12 of the, at one time, 21 publicly-held regional airlines left today.

During calendar year 1985, we broke into the ranks of the top 50 regional carriers and held the 48th position. Last year, in calendar year 1986, we moved up to the 31st position and in 1987, we could end up somewhere in the mid 20's. Although it sounds good, remember that only 17 of the top 50 commuter airlines in 1979 are still in business today.

Throughout all of this time period, we have been survivors and it has been our objective to create an airline that will withstand the test of time and give our employees an excellent work environment. As we can continue working together, we will all be able to face the challenges and enjoy the opportunities created by our growth oriented company. By working together and continuing the open dialogue we've established over the history of this great company, I believe we can and should maintain a non-union environment, other than the representation that we now have in the pilot's area.

We have worked hard to create a company that personnel enjoy working for and we have done just that. While it's true that we are not a perfect company and perhaps never will be, the fact is, employees from other regional/commuters join our Company because we have a good place to work with good wages and benefits.

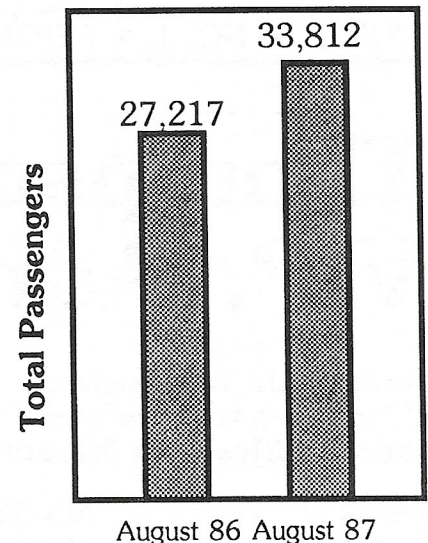
Throughout the past ten years, we have seen tremendous improvements in pay and benefits to Mesaba employees. Even during the years of unprofitability (including last year), we have worked hard to ensure that benefits and pay are improved for everyone. Today, we are paying wages that are competitive for our industry and we have a long list of employee benefits that continues to grow.

Our challenge right now is to create a company that will continue to stand the test of time. To do that we must have a profitable company that can give us an opportunity to grow and expand. But most importantly, we must maintain the ability to communicate and work with each other, as well as, have the commitment to see our Company become one of the very finest regional carriers in the country. This challenge will not be easily met, but with your help and commitment it can be done.

Best regards,

Robert D. Swenson

Mesaba Aviation, Inc. August Traffic Comparison



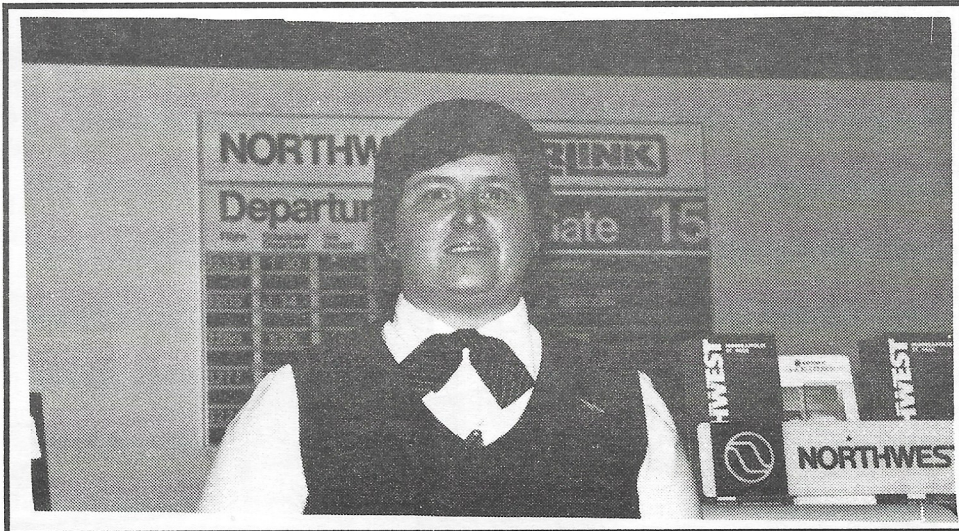
24% Increase in August Traffic

Mesaba carried 33,812 passengers in August, a 24% increase over 27,217 passengers carried during August 1986. The regional carrier's traffic was down from the previous month in July, when it carried 35,691 passengers.

Mesaba's revenue passenger miles during the month for the carrier were reported at 7,337,316, up 30% when compared to 5,626,189 revenue passenger miles carried last August. Available seat miles for the carrier were reported at 13,005,497, an increase of 5% over available seat miles of 12,351,366 flown last year.

Mesaba's load factor during August was 56.4% compared to 45.6% reported during August last year.

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Claudia Hamand, August's recipient of service award.

MSP Agent Receives Service Award

Claudia Hamand, Minneapolis Senior-Customer Service Agent, received August's distinguished service award, according to Chris VanDenHeuvel, Manager of Station Operations for Mesaba.

"The award is given to recognize Minneapolis station agents who have demonstrated a good service track record and a good service attitude," said VanDenHeuvel. "Claudia has done a tremendous job in working operations and with working with the public."

Hamand, a native of Akeley, Minnesota, has been employed with Mesaba for 2 1/2 years. She started as manager of the carrier's Worthington, Minnesota station in March 1985 and later transferred to Brookings, South Dakota as station manager. In April,

1986, she moved to the Twin Cities to begin work at Mesaba's hub station at the Minneapolis/St. Paul International Airport. Today, she finds her work in operations and at the ticket counter very challenging. "I think it is rewarding to work directly with passengers making them satisfied. And, I enjoy the pressure."

Chris VanDenHeuvel said that four other agents were recognized for their service in August as well. Jim Nolan, Bob Wisenberg, Lloyd Cray and Bill Monjeau have "all done an exceptionally good job this past month in providing a good service to our passengers," he said.

Each month's winner receives a service award, a monthly airport parking permit and a choice between a number of prizes.

New Pilots Finish Simulator Training

From the flight department comes the report of recent training and upgrade news.

New Mesaba pilots Paul Ballman, Steve Juettner, Steve DeNucci and Brian Roslen have all completed their week of simulator Metro III training in San Antonio, Texas, according to Metro Training Manager Pete Johnson. The week long program went "very well for all of the trainees," said Johnson.

New Mesaba pilots spend 3 initial weeks in the classroom before going to San Antonio for a week of simulator training. Upon completing the simulator program, pilots spend one further week doing "in air" training before going on the line for flying.

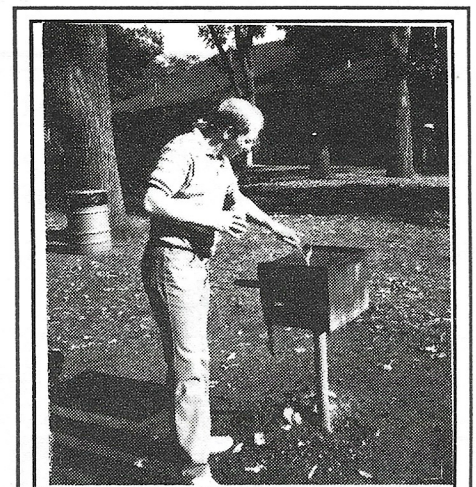
Several pilots have moved from "the right seat to the left seat" (upgraded from first officer to captain). Earning upgrades were Robert Lieser, Maurice Scroggins and Steve Fetzek.

Mechanics Complete F27 Course

Four A&P mechanics successfully completed Mesaba's newly implemented F27 training program last week, according to Craig Carroll, Mesaba Maintenance Training Manager. The 2 week class went "extremely well" says Carroll.

Mesaba employees Rick Frascht, Mark Newman and Mark Lund were the first three Mesaba mechanics to take the 80-hour course, designed and taught by Carroll. "All three mechanics did exceptionally well in the course," Carroll said. "It is exciting to have this type of training underway."

The F27 training course is the third such course currently in place at Mesaba, joining a Metro III course and a Garrett course completed which will review the Rolls Royce/Dart engine. Such courses are very important to Mesaba because, according to Carroll, they allow Mesaba personnel to receive their training in-house, rather than having to travel to them. Historically, Mesaba mechanics have taken the course taught by Fokker or more recently, Air Wisconsin, in Appleton, Wisconsin.



Mesaba's Maintenance Department held its annual picnic last weekend. Above, Supervisor Peter Kienzle attempts to light one of the grills.

FROM AROUND THE SYSTEM

Bertha *continued from page 1*

Bertha began work in the payroll department in 1979 and moved to Minneapolis in May of 1986 when Mesaba moved its accounting operations to the Twin Cities. Since then, Bertha has been the chief coordinator of Mesaba's payroll functions.

Having been with the Company during the past several years, Bertha said it has been "terribly exciting" watching Mesaba grow in its operations and number of employees. Most rewarding, she said, was watching Rob and Debbie Swenson's dreams come true. "We all saw this young man (Rob Swenson) come to Mesaba, with all of his big plans and dreams and we didn't know what to think. Our growth sure surprised us!"

Bertha has been active for many years not only at Mesaba, but also in the community. She was honored as the first woman to be inducted into the Grand Rapids Womens Bowling Hall of Fame. Indeed, she served for 9 years as the President of the Grand Rapids Womens Bowling League and another 9 years as secretary of the



Bertha has no plans for right now, other than to take it one day at a time. She is moving back to Grand Rapids, Minnesota.

Junior Bowlers Association. She served as chairman of the American Legion Auxiliary's "Children and Youth" program and has been very active in the First Evangelical Lutheran Church.

In her new world of retirement, Bertha says she "has no definite plans and will take it one day at a time." In the near future, though, she plans to drive to Denver with her daughter. When she flies back, she will move back into her house in Grand Rapids, and begin making use of the

Y.M.C.A. membership pass that Mesaba presented her on retirement. With a son residing in Grand Rapids, she will be close to family.

Those that know Bertha (and if you are on the payroll, you know Bertha), realize that she has been a tremendous asset to Mesaba. It is certain that she will be missed dearly by many in the Company. Hats off to you Bertha. Congratulations on a job well done and best wishes for a happy, healthy future!



Welcome Back #424

After almost a 40 day furlough for maintenance repair, Mesaba Metro III #424 returned to action in early September. The aircraft is a welcome sight home to Mesaba.

NEW EMPLOYEES

Full-time Minneapolis

Gertrudis Megia, Store Clerk
 Dan Viner, Customer Service Agent
 Tim Rogers, Customer Service Agent
 Dan Koller, Customer Service Agent
 Fred Breitling, Staff Accountant
 Paul Ballman, Pilot
 Stephen DeNucci, Pilot
 Steve Juettner, Pilot
 Brian Roslen, Pilot
 Jay Neely, A&P Mechanic
 Leslie Anderson, Accounting Clerk

• Steve Schoenecker, A&P Mechanic
 Anne Popp, Personnel Technician

Part-time Minneapolis

Robyn Wright, CSA
 James Pignato, CSA
 Daniel Powers, CSA
 Lisa Huhe, Shuttle Driver
 Sharon Marquette, Shuttle Driver
 Jill LaFave, Commissary
 Patrick Costello, Line Services

•full-time from part-time

BIRTHDAYS

September

David Hauch	15
Kenneth Bronson	16
Jacqueline Norbury	16
Curtis Slaughter	16
Rebecca Hartung	17
Daniel Viner	17
Linette Kostel	18
Linda Gould	20
Craig Carroll	21
Virginia Ruschenberg	21
Paul Montgomery	22
Scott Gill	23
Nancy Benson	26
Claudia Hamand	28

October

Charlean Sabo	1
Terry Detjen	2
Bradley Baker	4
Michael Redman	5
Douglas Fischer	6
Janice Jensen	6
John Turenne	7
Carol Williams	7
Robert Oltman	8
Jeffrey Dolin	10
Peter Johnson	10
John Thompson	10
Bradley Osborn	11
Betty Barry	12
Mark Langer	12
William Dietzler	14
Gaylon Phelps	14

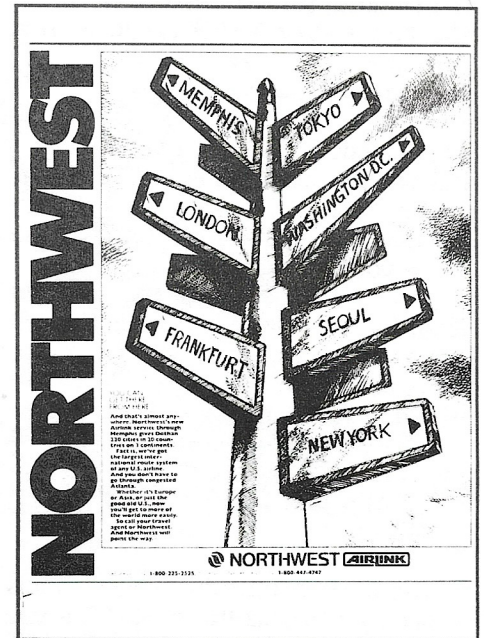
NW Kicks Off National Advertising Campaign with "New Look"

Northwest begins a year long advertising campaign on September 19th, which features a new look and new dimension, according to Cindy Wheeler, Manager of Northwest Marketing Communications.

"We will be using a contemporary look, geared towards the business person," said Wheeler, "Our

message will be more up-to-date and personable than it has been in the past."

Indeed, in television, print and radio media, Northwest will be advertising two main themes; the scope of the carrier's service and the WORLDPERKS frequent flyer program. The carrier will be utilizing major television sporting events and prime-time shows, in addition to national newspaper and magazines as a major thrust in their advertising campaign.



Northwest's television campaign is scheduled to begin on September 19th, with radio and print commencing during the succeeding weeks.

Northwest's advertising agency, Saachi, Saachi DFS, a New York based agency with offices in Minneapolis, is coordinating the creative and marketing campaign for the major carrier. "We are excited about this campaign," says Peter Levitan, account executive at Saachi Saachi. "Ultimately, we feel we'll bring a more modern, sophisticated look to the carrier and get more 'bang for our buck.'"

While Northwest Airlink/Mesaba will not be directly getting advertising in their markets, Northwest's advertising should benefit the regional carrier. Phil Swenson, Mesaba Vice President of Marketing, said, "Because our markets are overlapping, Northwest's campaign should have a positive effect on our operations. It will be very exciting."



Mesaba Employee Benefits

by Alice Ferdinand
Director of Personnel

Mesaba Aviation, Inc., has a wide variety of benefits for full and part-time employees. Everyone should review these programs because it is only by knowing and understanding what is available that you can begin to take advantage of them fully. Below is a review of the programs currently available. If you have any questions, please call the Personnel department.

Cafeteria/Flexible Benefits

The newest benefit available to qualified Mesaba employees is a cafeteria/flexible style benefit program. In this program an employee may set aside an amount from each paycheck for non-covered medical expenses such as an employee's portion of health care premium, \$100,000 deductible, dental or child care expenses. This amount is a salary reduction so that no state, federal, or FICA taxes is payable on these dollars.

With careful planning, the program allows employees to put aside money they would normally spend for these expenses. The benefit is available for qualified employees and their dependents and enrollment dates will be posted at the work site.

401K Retirement Savings Program

This savings program has been in place since January 1, 1987 and

is designed to allow an employee to contribute up to 10% of their income to one of several funds in the investment plan. The contribution is payroll deductible which, like the cafeteria benefit, is a pre-tax deduction which reduces state and federal withholding taxes. A few points on the program:

- For each payroll deductible dollar an employee contributes, Mesaba will contribute 10%(up to 6% of the employee's gross income).
- After maximum payroll contributions, employees may also make an after-tax contribution
- The plan will be available for employees who are at least 21 years of age, who have one year of continuous service with Mesaba and who work at least 500 hours a year.

Employee Benefits: What Everyone Should Know

Health Insurance

All full-time employees are eligible to receive medical benefits. Currently, Mesaba pays 75% of the premium for both single and family coverage. The employee pays 25% through payroll deduction.

Our major medical annually provides for 80% coverage of medical claims up to the first \$2000.00 of covered expense after a \$100.00 deductible. The employee pays 20% of insurance per insured person up to 3 persons. Claims over \$2000.000 are fully 100% covered.

Short/Long term disabilities

Mesaba provides full-time employees of short term disability insurance at no cost to the employee.

The short term benefit begins on the third day of an off-work accident or illness and receipt of a completed physician's claim form.

Benefit payable will be 2/3 of regular (base) pay. The benefit is self-insured and produced in our payroll department with usual and customary deductions. The benefit may continue for up to 13 weeks. Mesaba funds this benefit.

Mesaba also offers long-term disability insurance through Hartford Insurance. After a 13-week elimination period, Hartford will provide 2/3 of regular pay based upon completion of application forms by yourself and your physician. Payment will be sent directly from Hartford. Please consult your policy for guidelines and requirements. This benefit is provided at no cost to the employee.

Company Credit Union

Mesaba has an employee credit union in place with Twin City Co-ops Credit Union. This association lets employees take advantage of direct deposit, loan programs as well as a host of other financial services.

Each of these programs is in place to benefit you as an employee and your family members. If you have any questions concerning any of the programs, please contact Personnel. We will be happy to help you.

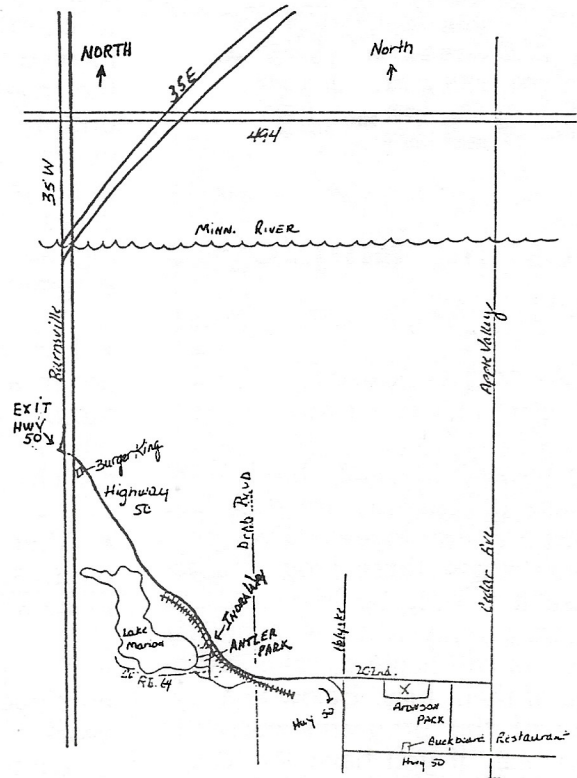
See you Saturday

September 26th,
Antler Park, Lakeville, Minnesota
11:00a.m. - 4:00p.m.

Bring family members or a friend.

Mesaba will be hosting a pig roast.
Employees are asked to bring
hors d'oeuvres, salad, bread, etc...

See map for directions...



MESABA ON THE MOVE

Mesaba Aviation, Inc.
6201 34th Avenue South
Minneapolis, MN 55450