

# MESABA **ON THE MOVE**

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

November 1987 • Vol 2 No 3

## Mesaba Reports Second Quarter Earnings

Mesaba Aviation, Inc., reported earnings of \$501,000 or 14 cents per share for the quarter ended September 30, 1987. This compares with a net loss of \$443,000 or 15 cents per share for the same quarter last year.

Mesaba's earnings for the six months ended September 30, 1987 were \$1,045,000 or 30 cents per share compared to a net loss of \$640,000 or 22 cents per share for the same period a year ago.

Operating revenues totaled \$7,411,000 for the quarter, an increase of 39% from \$5,349,000 in the second quarter of last year. For the six months ended September 30, 1987 operating revenues increased 48% to \$14,580,000 compared to \$9,855,000 in the first half of the prior year.

### Operational results

Revenue passenger miles increased 31% to 21.5 million for the current quarter compared to 16.4 million during last year's second quarter. Available seat miles for the quarter rose 7% to 39.1 million from 36.6 million flown last year. The Minneapolis-based carrier's second quarter system-wide load factor was 54.9%, up from 44.7% last year.

Robert D. Swenson, President and CEO of Mesaba, said he was pleased with the quarter's results. He stated, "Our earnings in the second quarter, the fourth consecutive quarter of profitability for our Company, continue to reflect our strong route system and our successful high-volume operating strategy."



## "Presto Testo" in action



*Mesaba's engine test stand officially made its premiere showing November 20th. Shown here is the test cell being operated by a Mesaba maintenance crew removing a Garrett engine from a Metro III. A list of all entrees appear on page eight in this newsletter.*

## Additional Flight to Grand Forks

Mesaba will add its third round-trip flight to Grand Forks, North Dakota on December 1, as part of its winter schedule change.

Grand Forks currently receives two round trip flights from Mesaba and 4 round-trip flights from Northwest. Mesaba's third round-trip flight to the city in December will be replacing one round-trip flight that Northwest will be terminating.

In North Dakota, Mesaba also provides daily airline service to the cities of Fargo, Jamestown and Devils Lake.

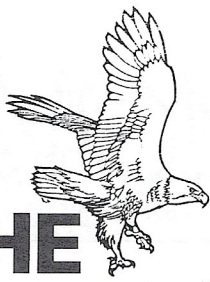


## Inside this issue:

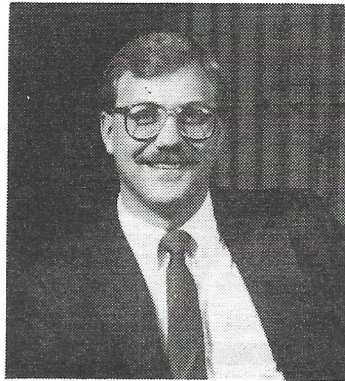
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**THE  
EAGLE'S  
NEST** PRESIDENT'S LETTER  
*Robert D. Swenson*



Dear Employees

Best wishes to you and your family as we head into this Holiday Season. I hope that you had an enjoyable Thanksgiving last week and that your Christmas trees are now going up.

On a financial note, we were pleased to report to our shareholders net earnings of \$501,000 during our second fiscal quarter ended September 30th, a quarter which continued to reflect the basic strength of our route system and the continuing success of our high volume operating strategy. We know that due to normal seasonality, the second half of our fiscal year will not be as strong as the first six months; however, the strength of our realigned route system should generate stronger traffic and load factors than in any prior second half. Clearly, our ability to continue being profitable is very important to any expansion plans for our company.

Assuming that we will remain profitable for the balance of our fiscal year which ends March 31, 1988, we look forward to once again resuming our stock bonus plan. In prior years, when we were profitable, we have distributed shares of stock to employees that had been with the company for a set period of time. This type of profit sharing program was designed to promote longevity within the company, and to increase productivity and a sense of ownership in the company. By this we are committed to maintain an employee environment where each person's decision to work here and everyone's opportunities for advancement within our company does not require an outsider to come between the company and its employees. Further, it has always been my desire that all of our employees own stock in our company over time, either through programs like this when we are profitable, or through our Employee Stock Purchase Plan that is available through the Personnel Department. Based upon profits, we look forward to recognizing the services of employees who are eligible to receive bonuses after our fiscal year end.

We are continuing our search for one or more Fokker F27 aircraft to add to our fleet of aircraft in the coming months. Since no aircraft have been added to our fleet for approximately 17 months, aircraft utilization has now reached its maximum feasible level. Additional aircraft are now required to serve our current route system as well as capitalize on significant new opportunities. I will continue to keep you updated on this matter.

With regards to securing financing for our new hangar facility, we are very pleased to say that we are working with the Metropolitan Airports Commission regarding possible financing alternatives. Securing such financing has been a challenge in view of our loss a year ago and our low level of profits for the four

**President's Letter**

years before that. It is the strength of our route system and the quality of our people that lead us to make such a large investment in our future. The additional costs to our Company for this facility will be over \$500,000 annually. To make this facility pay back many returns to us, we must continue to grow and expand. For that to happen, we must continue to offer the finest services possible to our passengers and keep our costs in line. I am optimistic that we will continue forward with excellent growth, secure proper financing for this hangar and be in this facility by this time next year.

We appreciate the efforts of those employees who work during the Holidays. Starting this Christmas and New Years Day, and for all of our designated holidays in the future, we will be enhancing the holiday benefit for eligible employees who work on those days.

I hope that all of you will be able to attend this year's Christmas party to be held on December 5th. We are also having a visit from Santa for the children of Mesaba employees on December 5th at 1:30 p.m. at the General Offices. I hope that many of you can attend. The Christmas party and related activities have become quite a tradition for Mesaba and it promises to be as festive an occasion as it has been in past years.

Best regards,

Robert D. Swenson  
President

**Mesaba On The Move** is published monthly by Mesaba Aviation Inc.'s Public Relations department. The Editor accepts for publication, written stories related to Mesaba and its operations. Also, Fly and Buy, and Mesaba Memos. Send all information to Mesaba On The Move - 6201 34th Avenue South - Mpls, MN 55450  
**Mesaba On The Move** is written especially for employees and friends of Mesaba Aviation, Inc. Typesetting is provided by **Great Images**.



## United Way Says "Thanks"

A note of thanks to those who cared enough to say "I will" from those feeling the crisis of abuse, the frustration of unemployment and related problems, hunger, stress, serious illness and homelessness. Also, a special thanks to Deb Dahl, Dee Punton, Alice Ferdinand, Sherri Willman and Doug Fulton for their campaign support and to Rob Swenson's support for the first Mesaba United Way effort.

## The Drawing winners were:

Mark Langer ..... Mesaba Ball Cap  
 Bernie Loergering ..... Mesaba Buddy Passes  
 Tracy Knight ..... Midway Airline Passes  
 Dan Kelly ..... Eastern Airline Passes  
 Jackie Norbury ..... Mesaba Ball Cap  
 Julie Peterson ..... Piedmont Airlines Passes  
 Kevin Smyth ..... Mesaba Golf Balls  
 John Weir ..... Mesaba Shot Class  
 Sherri Willman ..... Mesaba Golf Balls  
 Gerald Marschel ..... Mesaba Golf Balls  
 Gloria Jansen ..... Mesaba Buddy Passes  
 Lloyd Crary ..... Midway Airlines Passes  
 Robert Winzenburg ..... Midway Airlines Passes  
 (donated by Craig Carroll)  
 Thomas Reader ..... Mesaba Buddy Passes  
 Brian Thompson ..... Mesaba Golf Balls  
 Anne Popp ..... Mesaba Shot Glass  
 Robyn Wright ..... Mesaba Buddy Passes

Contact Deb Dahl or Jim Haarbauer at the G.O., (phone extension #272), to pick up prizes.

Financial Summary	Three Months Ended September 30,		Six Months Ended September 30,	
	1987	1986	1987	1986
(in thousands, except per share data)				
Operating Revenues	\$ 7,411	\$ 5,349	\$ 14,580	\$ 9,855
Operating income (loss)	\$ 920	\$ (756)	\$ 2,004	\$ (1,257)
Net income (loss)	\$ 501	\$ (443)	\$ 1,045	\$ (640)
Net income (loss) per share				
primary	\$ 0.16	\$ (0.15)	\$ 0.34	\$ (0.22)
fully diluted	\$ 0.14	\$ -	\$ 0.30	\$ -
Average shares outstanding				
primary	3,079	2,859	3,069	2,859
fully diluted	3,683	-	3,681	-
<b>Operating Statistics</b>				
Revenue passengers carried	98,971	80,078	198,506	139,085
Available seat miles (000)	39,148	36,570	76,114	67,866
Revenue seat miles (000)	21,475	16,354	42,989	28,516
Load factor	54.9%	44.7%	56.5%	42.0%
Yield per revenue passenger mile	\$ 0.323	\$ 0.298	\$ 0.315	\$ 0.311
Operating costs per available seat mile	\$ 0.163	\$ 0.164	\$ 0.162	\$ 0.161

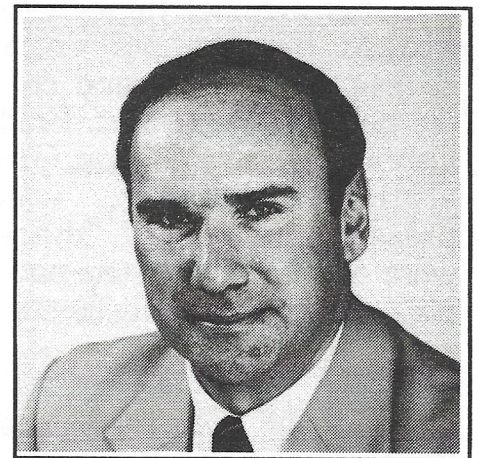
Mesaba's financial results for the second quarter reflect the company's earnings during the past six month period.

## Alan Stevens Elected to Board

Mesaba recently announced the election of Alan R. Steven to the Company's board of directors. Mr. Steven is President of Scenic Airlines, a Las Vegas-based regional airline.

Robert D. Swenson, President and CEO of Mesaba, said that Mr. Steven would be a valuable addition to the airline's nine member board. He stated, "Alan has over 20 years experience in the aviation field and he will bring our Company a tremendous working knowledge of this industry."

Before coming President of Scenic Airlines in 1987, Mr. Steven served for nine years with the Regional Airline Association, most recently as Executive Vice President. From 1976 to 1978, he worked as Special Projects Officer for the Federal Aviation Administration. Prior to that, he served as Director of Marketing and Research for General Aircraft Manufacturers Association



Alan R. Steven. President of Scenic Airlines and Mesaba board member.

(G.A.M.A.). Mr. Steven said he was pleased to have been elected a director of Mesaba's board. He said, "I believe that Mesaba is a Company with tremendous opportunities. I have known the airline's management team for a long time and I have a great deal of respect for it." A native of California, Mr. Steven now resides in Las Vegas, Nevada.



# From Around The System

## Mitchell and Bookings Host Open Houses

Both the Mitchell and Brookings Mesaba Station Operations hosted open houses in October to promote air service from their respective communities. Both events went over well, according to Mesaba personnel.

On October 17th, Mesaba and the Mitchell Chamber of Commerce hosted an open house at the airport as part of a current marketing program designed to promote air service in Mitchell. Mesaba manager Lori Durst and staff member Renee Lee worked hard to put on a cheese and cracker and coffee party at the airport. Brad Osborn, Mesaba Station Operations Manager, was present and said, "there were a lot of interested people. Our turn out really surprised us."

On October 20th, Mesaba's Brookings staff in conjunction with the Brookings Airport Commission, dedicated the new Brookings terminal remodeling with an open house serving coffee, cheese and crackers. Brookings Mayor Gail Robertson, Mesaba station manager Brian Thompson, and Airport commissioner



*Brookings Station manager Brian Thompaon (r) cuts a ribbon with Brookings Mayor Gail Robertson to commemorate the terminal's recent remodeling work.*

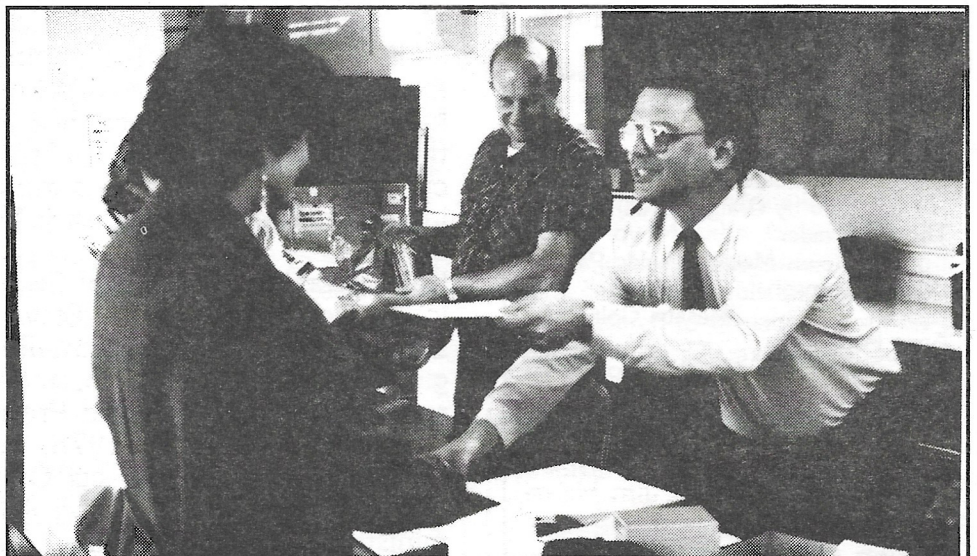
chairman Dick Peterson cut a ribbon to officially dedicate the new facilities. Other Mesaba employees present included station agents Julie Peterson and

Connie Mork, both of whom helped Brian set up the event, and Doug Fulton from Mesaba's Minneapolis office.



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## United Way Continued



*Vice President of Maintenance Jim Haarbauer helped coordinate the United Way effort for Mesaba this year.*



# Mesaba Begins Employee Assistance Program

Mesaba announced that it has entered into a service agreement with T.E.A.M., Inc., an Minneapolis-based employee assistance firm. T.E.A.M. will provide confidential employee counseling in areas of personal problems, alcoholic and drug abuse, legal, financial & family problems. This new service is available to all

Mesaba employee and their family members at no charge. Employee orientation & informational meetings will be held throughout Mesaba's system in the coming weeks.

Employees wishing to contact T.E.A.M. may do so by calling 612-648-1129 or 1-800-643-7710 (8:00a.m. to 4:30p.m.).

# Mesaba's Board Approves Quarterly Dividend

On November 4th, Mesaba Aviation, Inc. announced the declaration of a \$.03 per share cash dividend to be paid on Mesaba's common stock. The record date for determining holders of common stock entitled to receive the dividend is November 18th.

As of November 3rd, 1987, there were approximately 2,992,905 shares outstanding. Mesaba has not previously paid dividends on its common stock.

## Mesaba Trivia



Answer the following questions correctly, and your name will be entered into a monthly drawing for \$20.00. All Mesaba employees are eligible to participate. Answers must be sent to Mesaba On The Move by December 10, 1987. Good luck.

1. What date is Mesaba's third flight to Grand Forks effective?
2. How many passengers did Mesaba carry in October?
3. What is the name of the employee assistance program firm that works for Mesaba and what is their phone number?
4. December 5th is a big day for Mesaba. Why?
5. Name the Mpls station agent that earned October's recognition award.
6. What is the name of Mesaba's new engine test cell?
7. What route was Mesaba's first Fokker F27 flown on?
8. Who won last month's trivia contest?

## Last Month's Winners

Answers to September's Trivia Contest

1. Holly VanZant-Director  
Mary Prigge-Flight Attendant
2. 29,468
3. Wennberg's Inc.
4. a. For each pledge card returned.  
b. For each \$5.00 by payroll deductible for a 12-month period.
5. October 30, 1987
6. Any question would have done.
7. 21 working days.
8. Lori Gallant
9. Seven cities.

Last month's winner was **Lori Lucas** (Charter department). For answering the questions correctly, and being drawn from among the winners, Lori wins \$20.00. Other correct winners included Teresa Read and Mary Prigge.



# Employee News

## New Employees

### FULL-TIME

Michael Bongard	A&P Mechanic
*Michele Luoma	CSA/MSP
Robert Klis	A&P Mechanic
Scott Scheuneman	A&P Mechanic
Bradley Smith	A&P Mechanic
Michael Jackson	Pilot
Jeffrey Masek	Pilot
Kirk Zastrow	Pilot
Stuart McKenzie	Pilot
Gary Mattson	Pilot
Tom Bloom	Pilot
William Minor	Pilot
Nick Widmar	Pilot
Kevin VanDerMey	Dispatcher
Kristopher Kokal	Pilot
Todd Ginsbach	Pilot

*William Nybakken	CSA/MSP
*Greg Piehl	CSA/MSP
*Jeanne Naslund	CSA/MSP
*From Part-time to Full-time	

### PART-TIME

David Tetley	Line/MSP
Leonard Wildes	Special Services/BJI
Joyleen Castle	CSA/GPZ
Gary Bodien	CSA/BJI
Brenda Rief	CSA/LNK
Paul Schultz	CSA/MSP
Jayne Meehan	Line/MSP
Sandra Hennen	CSA/BJI
Patti Karau	CSA/MPS
Daniel Kennedy	CSA/MSP
Wayne Watkins	CSA/BJI

## Company Promotions



Rob Winzenberg



Tony Launer

**Rob Winzenberg** has been promoted to Supervisor of Mesaba's Minneapolis/St. Paul International Airport operations.

**Tony Launer** has been promoted to Supervisor of Mesaba's Minneapolis/St. International Airport operations.

## Employee Birthdays

### November

Michael A. Arnold	15
Annette Bruggeman	17
Michele Luoma	18
Stacy West	19
Bob Hilgemann	20
Mapela Bucki	21
Reid Nolte	24
Brian Roseen	25
Mark Miller	26
Timothy Rogers	26
Rita Gausen	27
Gloria Jansen	27
Ann Marie Romera	27
Richard Ralph	29
L.J.R.	29
Gregory Roisland	29

Julie Peterson	30
Ricardo Sereno	30

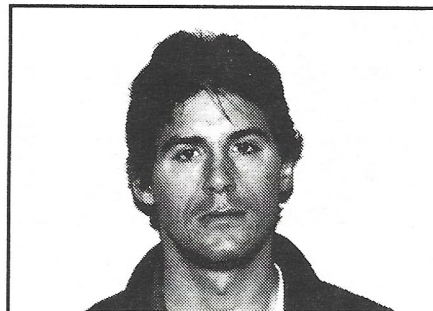
### December

Lee Thies	1
Mike Debusk	2
Carl Millican	2
Wayne Butor	3
Arthur Simons	3
David Luedke	6
Jeffrey Ranney	8
Holly Van Zant	11
Kelly Dahlberg	12
John Swanson	12
David Weeres	12
Jeane Naslund	13
Sandra Weber	14

## Rogers is MSP Agent Of The Month

Tim Rogers, MSP customer service agent, has been selected as the recipient of the "MSP Employee Recognition Award," for the month of October. According to Dan Sheehan, MSP Operations Manger, Tim was selected, "because of his outstanding performance during the month and for his willingness to learn and accept new and additional responsibilities." A native of Hopkins, Minnesota, Tim graduated from Hopkins High School in 1982 and subsequently earned a Mathamatics degree from Bemidji State University. He began working with Mesaba in June

of 1987 as a customer service agent in Minneapolis. The MSP Employee Recognition Award is given each month at Mesaba's Mpls Operation and the recipient is chosen by a panel of operation supervisors.



## Personals

Cindy, myself and my entire family would like to thank Mesaba Aviation for the thoughtful flower arrangement and expressions of sympathy on the death of J. Robert Downing November 19th. A sad loss made somewhat easier by all the kindness shown by Mesaba and everyone.

Thank you all

Bill Downing



# DECK THE HALLS!!

**At Mesaba's Annual Christmas Party  
December 5th at 5:00 pm in the  
General Office Hangar!**

- Dine and dance to music by Musicman and socialize with friends and other employees.



- Main entree provided by Mesaba. Smorgasbord items to be brought by employees: Salads, bread, hot dishes, desserts, etc...

- **ALSO...A PARTY FOR KIDS**

Saturday, 1:30 p.m. - 2:30 pm. Hangar.

Bring your children to see Santa at Mesaba's hangar after the party. Santa will arrive at 1:30 to say hi to everyone and bring presents to the children. If you have not already registered for this event, call Andrea (X231) at the G.O.



**See you there!!!**



# Entries from "Name The Bus Contest"

*The Maintenance-sponsored name the bus contest yielded some very interesting suggestions. A committee of A&P mechanics, chaired by Carl Millican, poured for three days over the suggestions before choosing the name "Presto Testo," a name entered by Marketing Director Doug Fulton. Thanks to all those who participated.*

Turbine Trolley  
Hot Wheels  
Presto Testo  
Mesabus  
Metcel  
Metro-Liner

Mervin's Man Made Mega  
Machine  
Omnibus  
Mervin's Misfit  
Merv's Magnificent  
Machine  
The Metro Buster  
Mervin's Marvelous  
Motion Machine  
Mesabus  
Mesaba Thunder Bus  
Metro Safety  
Gus the Bus  
Bula  
Presto Testo  
Sky Buzz  
Screaming Eagle  
Metro III Windjammer  
Medsel  
Mr. Garrett Tester

Jim Bob  
Mesaba Metro Maniac  
Tessy Test Cell  
Tessy The Magic Bus  
We Bad  
Almost Airborne  
Mesaba Testing: 1-2-3  
The Power Professor  
The Magic Bus  
Mesgartro  
Split-mobile  
Split Personality  
Mesaba Bus 1  
Air Bus  
Rollow Moto  
The Thruster  
Long John  
Zoomin Ziggy  
Garrettmobile  
Mesaba's E.T. (Engine  
Test)

**MESABA ON THE MOVE**

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