# MESABAON THE MOVE

A MONTHLY NEWSLETTER PUBLISHED FOR EMPLOYEES AND FRIENDS OF MESABA

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# NEWS UPDATE

# Two Nonstops to Lincoln

Effective February 1, 1987, Mesaba will introduce a second round-trip nonstop flight to Lincoln, Nebraska. The new flight, which was originally scheduled to be a nonstop only one-way, was added because of a Northwest schedule change which necessitated the dropping of one Mesaba flight to Des Moines.

Both non-stop flights to Lincoln offer good connecting service in Minneapolis/St. Paul as well as local service between Des Moines and Lincoln. Julie Neyes, a travel agent with Van Bloom Tour and Travel in Lincoln, said, "Businessmen enjoy Mesaba and the quick service to the Twin Cities where they are able to do business or catch a flight to anywhere in the nation."

continued on page two

### Grand Rapids Airport Named Newstrom Field

The Grand Rapids/Itasca County airport located in Grand Rapids, Minnesota, has been officially named "Newstrom Field" by the city of Grand Rapids and Itasca County. The name change was considered after the local airport commission made the recommendation to the city last November, according to Reed Billeadeau, Airport Commission Chairman. "As far as it is known, Gordon Newstrom was the first airport manager that Grand Rapids ever had.

Lawrence E. McCabe, promoted to Vice President/Airline Operations

## Mesaba Announces Corporate Promotions

Mesaba announced recently that Larry McCabe has been promoted to Vice President/Airline operations and that Mike Wind has been promoted to Vice President/Ground and Inflight Operations. Both promotions are positive for both men and gives each one additional responsibilities in the Company.

In the newly created position of Vice President/Airline Operations, Larry McCabe will assume the overall coordination for the Maintenance, Flight, Ground and Inflight service departments. His main thrust will be to take on more of the day-to-day operations of the airline, said Robert D. Swenson, Mesaba's President and CEO. Swenson said he will allocate more time towards planning Mesaba's financial and corporate growth.

Mike Wind's move to Vice President/ Ground Services and Inflight services makes him responsible for Station Operations, Line Services and Inflight service operations.



Michael R. Wind, promoted to Vice President/ Ground and Inflight Services

Larry McCabe joined Mesaba's team in August 1985 as Vice President/Government Relations and Customer Services. Since that time, he has been responsible for Mesaba's Governmental and Regulatory affairs, Station Operations and Customer Service.

Mike Wind has been employed with Mesaba since 1981 when he was hired as Customer Service Agent in Fairmont, Minnesota. He was promoted to Customer Service Manager; first in Brookings in 1982 and later in Sioux Falls in 1983. In 1984, he was promoted to Director of Station Operations, until his recent promotion.

#### In This Moving Issue

page 2 Letter from the President

page 5 Hello from Watertown

page 6 Mesaba Close-Up "The Buck Stops Here" Meet the Accounting

Dept.

continued on page two



### Hello New Year

With the arrival of the New Year comes the beginning of our fifteenth year of scheduled airline service in February. Looking ahead towards the next 12 months, I am very optimistic, that with hard work, good planning and reliable operations, 1987 will be a very good year for Mesaba.

As many of you know, we have amended our Airlink Agreement with Northwest Airlines. The amendment to the agreement was necessitated by Northwest's acquisition of Republic and Mesaba's realigned route system as of October 1, 1986. I am pleased that we have formalized our agreement with Northwest and I believe that the amendment was very fair to both Northwest and to our Company. Part of the new agreement calls for Northwest to assume many of our reservations and capacity control functions. However, that arrangement comes at a convenient time because our reservations department is becoming very involved with charter sales, an area that will continue to grow as we move forward. We all can look forward to a successful working relationship with Northwest.

Last week, we announced the promotions of Larry McCabe to Vice President/Airline Operations and Mike Wind to Vice President/Ground and Inflight Services. Larry's position is a new one in the Company. In it, he will be responsible for the overall coordination of the Maintenance, Flight, Ground and Inflight areas. It will give Larry the day-to-day operational responsibilities, thus enabling me to focus more time on planning Mesaba's long range financial and corporate growth. Mike Wind will assume direct responsibility for the Ground Service and Inflight departments, areas that Larry was managing in his former position.

Both Larry and Mike have done an excellent job during the past several years and I urge you to give both of them your support as they move into their new positions and responsibilities with the Company.

December was a good month for traffic, although not as good as early bookings would have had us to believe. We carried 24,504 passengers, up from 13,742 last December. This past December, Mother Nature did her fog routine during the second half of the month which had an adverse effect on total boardings. But during the busy Holiday Season, I must say that overall, our personnel did a fine job in providing quality service to our passengers. Thank you!

For your information, we will be continuing to operate on the Gold Concourse at Gate 15 in Minneapolis. Although we certainly can never rule out a future move to another concourse, for the time, its the Gold. We have put quite a bit of effort and expense in making our current operations successful and I believe we are all pleased to remain at our present location.

Schedule-wise, our new service to Moline and Fargo began on January 18th and we feel that we should do very well in both cities. On February 1, we will introduce two daily round-trip flights to Lincoln by dropping one flight to Des Moines. That change was necessitated by a schedule change made by Northwest to Des Moines. We will continue to provide one daily round-trip to Des Moines until an opportunity arises to increase service.

With the weather the way it has been, it is almost easy to forget that we still have 2-3 months of winter left. Please make the extra effort to ensure our passengers comfort during the cold weather and please dress properly to stay warm and stay healthy during these cold weather months.

Best wishes to all of you for a good month.



#### LINCOLN, continued

John Kunkel, Mesaba Customer Service Manager in Lincoln, said the new non-stop round-trip flight would help in selling service to the public.

#### Lincoln Schedule

Minneapolis to Lincoln

1:20p.m. 2:50p.m. Daily 6:45p.m. 8:15p.m. ExSa

Lincoln to Minneapolis

6:00a.m. 7:29a.m. ExSu 3:20p.m. 4:50p.m. Daily

#### NEWSTROM, continued

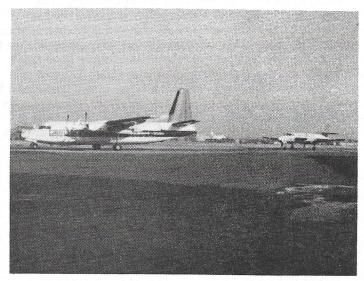
Considering the contributions to the aviation climate in Grand Rapids and the development of the airport, it is only fitting that it be named after him," said Billeadeau. As the field was being pronounced the Gordon K. Newstrom field, Gordy, who is never short on words, interjected. He said, according to Reed Billeadeau, "Now I hate to be picky about this matter. But there are very few people out there that know me as Gordon. I wonder if it could be named the Gordy Newstrom field?" The city and county agreed wholeheartedly, and thus named it the "The Gordy Newstrom" field.



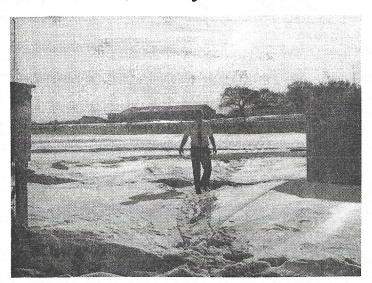
The Mesaba On The Move is published monthly by Mesaba Aviation Inc., 's Public Relations department. The Editor accepts for publication, written stories related to Mesaba and its operations. Also accepted are comments and ideas regarding the content of the publication. Mesaba On The Move is written especially for employees and friends of Mesaba Aviation, Inc.

Editor and Publisher Douglas P. Fulton Co-Publisher Charlean Sabo Staff Photographer John Ehlert Monthly Saying: The best way to get rid of an enemy is to make him your friend.

## Can You Believe No Snow in January?



Minneapolis/St. Paul - January without snow?



Devils Lake, N.D. One of the few places on the system with some snow!

## **Sports Update:**

#### Basketball

Mesaba's basketball team continues to play its extremely difficult season schedule, at least until the 21st of February. According to Tom Rathke, team spokesman, the team is still looking for its first win, and thus will probably not make the finals. He quickly added that all of the games have been high flying exciting matches. Tom said, "The year has been a rebuilding one for our team. Next year we think we have a good chance of winning one."

All Mesaba employees interested in helping the team capture a win during the next few weeks, are urged to join the team. Information on games and times may be found by calling Tom Rathke at MSP Operations at 726-5759. Swissshhhhhh. . .

# Congratulations . . . to Rich and Mary

Vice President/Flight Operations Rich Lawrence and his wife Mary are to be congratulated (especially Mary) on the birth of their first child, born Christmas Eve 1986. Leah Marie Lawrence weighed 9 pounds, 3 ounces. Word on the street (or in the air) is that Rich has Leah already training in a mini-flight simulator.

## MESABA ANNOUNCES THIRD QUARTER EARNINGS AND OPERATING RESULTS

MESABA AVIATION, INC. THIRD GUARTER AND NINE MONTH FINANCIAL AND OPERATING RESULTS

(Unaudited)

	<u>Quarters ended December 31,</u> Fercent			
	<u>1986</u>	1985	Change	
Operating Revenues Operating Income	\$ 5,648,735 \$ 341,118	\$ 3,324,111 \$ 73,340	+70% +365%	
Net Income (loss)	\$ 132.306	\$ (21.396)	N/A	
Average Shares Net Income (loss)	2,984,046	2,582,388		
Per Share	\$ 0.04	\$ (0.01)	N/A	
Revenue Seat Miles	14,863,407	7,603,236	+95%	
Available Seat Miles	31,517,292	19,319,229	+63%	
Passenger Load Factor	47.2%	39.4%	+20%	
Nine Months ended December 31,				
	1986	1985	Change	
Operating Revenues	\$ 15,503,413	\$ 9,681,333	+60%	
Operating Income(loss)	\$ (716,114)	\$ 1,058,897	N/A	
Net Income(loss)	\$ (507,692)	\$ 361,155	N/A	
Average Shares Net Income (loss)	2,860,635	2,557,187	N/A	
Per Share	\$ (0.18)	\$ 0.14	N/A	
Revenue Seat Miles	43,379,694	22,757,029	+91%	
Available Seat Miles	99,382,990	54,239,962	+83%	
Passenger Load Factor	43.6%	42.0%	+ 4%	

News From Consumer Corner



Dear Mesaba Airlines,

We were six hours late out of Seattle on our first ever Northwest flight — we do get fog you know! Heading for opening day of our South Dakota hunting vacation — on October 16. We arrived in Minneapolis too late for the last connection to Mitchell. Don't know the name of the nice young woman at your desk between 6 & 6:30 p.m., but she bent over backwards during a hectic time to re-route us and even arranged standby overnight accommodations if we didn't reach our destination. We did, (however) and had a great time.

After 20 of years of flying via Denver — we won't be going that way again! We are so grateful for the outstanding people in your (organization). Please pass on our thanks as well as Holiday good wishes. Also extend these good wishes to Laurie Durst at Mesaba (Mitchell). She's a human dynamo who saw us through

another fog delay on our return.

God Bless, Roger and Peggy Hrdlickes Puyallup, Washington

Good Morning Mesaba Personnel;

I wish to thank one and all for your professional service rendered to me from Mesaba prior to my flight #3246 from Devils Lake to Minneapolis. The Flight was A-OK in all aspects, and thanks again to the terminal manager for assistance on my (flight listings).

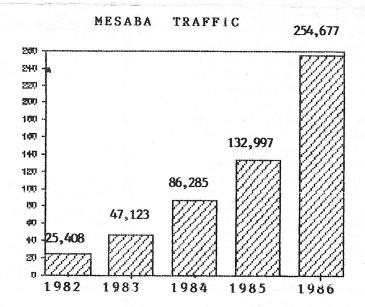
H. G. Huebner Devils Lake, North Dakota

### December Traffic

Mesaba carried 24,504 passengers during the month of December, a 78% increase over 13,742 passengers flown the same month one year ago. December's totals capped the year off at 254,677 passengers carried during the past 12 month period. (see related graph and inset).

### Yearly Increase

The accompanying graph helps depict the increase in passenger boardings that Mesaba has experienced during the past 5 years. In 1982, Mesaba carried 25,408 passengers. As the Company's operations grew, and the route system expanded, the number of passengers increased. In 1983, passengers carried increased to 47,123; in 1984 to 86,285; in 1985 to 132,997; and in 1986, to 254,677 passengers.



Mesaba Total boardings over a five year period. Reflects growth of regional airline

## MESABA CHARTERS

Now your group can run an airline.

# Welcome New Employees

Mesaba wishes to acknowledge the new employees that have been hired during the months of December and January. Welcome aboard!

Full-time		
Mark Miller	A & P Mechanic	MSP
Michael Olson	A & P Mechanic	MSP
Patrick	Parts	MSP
McDowell		
Liz Shama	Flight Att.	MSP
Merri Smith	Flight Att.	MSP
Vickie Windschitl	Flight Att.	MSP
Promona Kar	Flight Att.	MSP
Aline Nguyen	Flight Att.	MSP
Ron Parker	Line Services	MSP
Part-time		
David Inglette	CSA	MSP
Marge Keating	CSA	ATY
Iodi Short	CSA	BII
Dale Nelson	CSA	MSP
James Pahl	Line Service	MSP
Sandra Thill	CSA	MSP
Debra Luke	CSA	MSP

February Birthdays	
Douglas Dickson	2/05
Cathryn Harr	2/06
Daniel Hanson	2/07
Reuben Paredes	2/07
Timothy Anderson	2/08
Joan Duvall	2/08
Jon Jambe	2/08
Neil Chapel	2/10
James Nolan	2/10
John Williamson	2/10
Marlin Roseland	2/13
James Mikolich	2/15
Michael Vranjkovic	2/16
Paul Dauphinais	2/18
John Grooms	2/22
Matthew Hoolihan	2/22
John Tobin	2/25
Dennis Strand	2/26
Alva Amundson	2/27
Doreen Clay	2/28
Thomas Schneider	2/28

#### Next in Mesaba On The Move

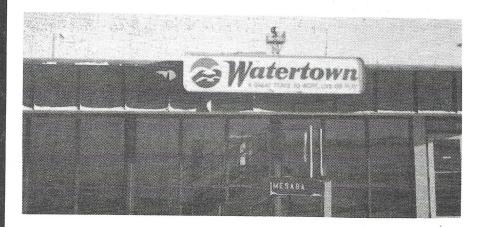
Mesaba Close-Up: See how the Flight Department is utilizing simulator equipment for their training.

More Fun letters from Consumer Corner

January Traffic and Third Quarter Operating Results

# Hello From Watertown

Watertown Manager, Roger Tuttle, and his staff extend their warm welcome to all of Mesaba. Roger also sent in a little information about the city, so as to encourage Mesaba employees to fly out and visit.



"Watertown is a community of 17,000 located about 30 miles West of the Minnesota border. When I first arrived here, I was surprised and (relieved), to find a quiet and very friendly city. The city is located on the Big Sioux River and surrounded by Lake Kampeska and Lake Pelican, both of which provide boating, fishing, hunting, and year-round activities. Watertown also has a unique free zoo that has a large collection of over 100 mammals in 25 different species and 150 bird featuring pheasants and waterfowl.

The Watertown staff consists of myself, four full-time and two part-time employees. I transferred from the G.O. with my wife Debbie and our two children (wild ones)! We all enjoy living in the small community and enjoy its people. We fill our spare time with hockey, skating, and other Winter activities. I am especially looking forward to exploring the two 18-hole golf courses this summer. Now, a little about my staff:

Nancy Morgan transferred here from the Brainerd Station. Nancy will be celebrating her first year with Mesaba on January 29th. She has certainly helped me make the transition to station management again.

Cathy Stricker has been a resident of Watertown for 14 years, along with her husband, Bob and their three children. Cathy was formerly with Republic Express and she has been a big help in making the Express-Mesaba change over a smooth one — particularly with the Watertown frequent travellers.

Reid W. Nolte came to us from Bemidji Airlines in Minneapolis. He has been with Mesaba since October 6th. He has a wife Carrie and two children, and they reside in Faulkton, South Dakota. Reid is hoping to get involved in a hobby farm around somewhere in proximity of Watertown.

Sandy Weber comes from South Shore, South Dakota. She and her husband, Doug, are now living in Watertown and are anxiously awaiting the arrival of their first born!

Jeff Burns is a Watertown native. He started on October 21. His wife Ann teaches forth grade at Clark, South Dakota. Jeff Enjoys softball, skiing and st going to help me brush up on my golf game this summer.

Marge Keating, our newest part-time employee, resides in Watertown with her husband, Dean, and one daughter. Marge started with us on December 29th and is still, for only a short while longer we hope, a "Rookie Rampie!"

If you ever in the Watertown area, stop in and say hello. We would enjoy seeing you. We promise you'll enjoy the area.

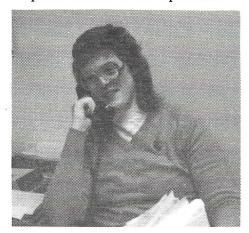


## The Buck Stops Here

Ever wonder who handles all of those money transactions for Mesaba? Or who tracks, compiles all of the statistical and financial information for the Company? Or finally, who it is on the other end of the line when you hear that so often asked, "I gotta a question for you?" question? Of course you do. And you most certainly know that its the Accounting department — the sometimes-missed but almost-never-forgotten department of Mesaba.

The Accounting department serves a number of essential roles and functions as the accounting facet of Mesaba, says Mark Engelhardt, Manager of the department. "One of its main roles is the normal handling of accounting procedures, making payments in Accounts Payable and handling incoming revenue in Accounts Receivable." But also, Mark continued, "the department compiles and records all of the flight and passenger boarding information so that the statistics may be used in market planning and be kept for future use."

The department currently employees nine persons, including Engelhardt and Dave Knudson, Vice President/
Treasurer, who oversees the entire department. Each of the department's



Lucy Kirchner says she can find out who's invoice it is with a minimum of five phone calls. It is a dirty job, but someone has to do it.

personnel work in designated areas of responsibilities, and they work together as a department to operate most efficiently.

Kathleen Weimar works in the general cash management area, and follows the transfer of account funds. She also does a good deal of work with word processing. Dan Carlin works in Accounts Receivable. Lucy Kirchner and Char Roden handle Accounts Payable, and set up expenditures for payment.

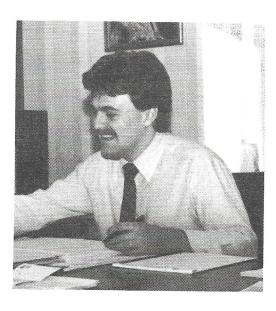
Chuck Howe is responsible for inputing and tracking non-financial statistical information such as load factors, available seat miles, revenue seat miles and segmental data. Madalen Merritt complements Chuck's work by keeping track of passenger numbers and mail and cargo statistics. Frank Lobdell works with and maintains information on Mesaba's fixed assets, and Jeanine Diadoo works part-time in Accounting and part-time in Personnel in several different area.

"The major function of the department is record keeping, information gathering and general accounting"

Mark Engelhardt

Mark Englehardt, who has been with Mesaba since May 19, 1986, said, "The major emphasis of an Accounting department is record keeping, information gathering and fiancial reporting and analysis. Mark works mainly in the general accounting area where he supervises Accounts Payable, Accounts Receivable and general accounting. He also said that Mesaba is currently interviewing and will soon hire a Cost Accountant, who will help set, implement and track departmental budgets.

Engelhardt, who came to Mesaba after working for two years with the Internal Revenue Service, explained how revenue in the airline industry is collected. "In our business, most revenue is collected through the airline clearing house. Billings are sent on the 18th of each month, and payment is made to each of the airlines on the 28th. That is the day, when everyone in the department has a smile on their face.



Mark Engelhardt is manager of Accounting.

The Accounting department is located on the six floor of an office building located at 2850 Metro Drive (located one block South and one block East of I-494 on 24th Avenue South). The office suite is functional with a number of rooms for the various departmental areas. The "perk" to the building, according to some who work there, is the cafeteria located in the basement. Chuck Howe says the cafeteria is convenient; "A little expensive, and not great," he added, "but no one has died from it yet."

The Accounting department is one of the few departments that interacts with each of the different departments in the Company on a frequent basis. Engelhardt says, "All of the departments need information of some sort; Whether its how much money we spent in the past three months or how many passengers we carried in the last six months."

And certainly, Accounts Payable is always looking for a department to charge ("I gotta a question for you"). Lucy Kirchner says Maintenance is the department that she talks to the most about Accounts Payable matters, but if she has a question about a bill, she can always "find the answer by making a few phone calls."

The Accounting department has only been located in the Twin Cities since June 1986. Before that, it was located in Grand Rapids. While only in the Cities a short time, the department has adapted well and is holding its own in the Financial World.