

# MESABA ON THE MOVE

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

JUNE/JULY \* VOL 2. \* NO 6

## Mesaba Proposes Reorganization

### Newly-formed holding company to be called AirTran Corporation

Mesaba Aviation, Inc., announced on June 16, 1988 that its Board of Directors had approved a proposal to reorganize Mesaba into a holding company structure.

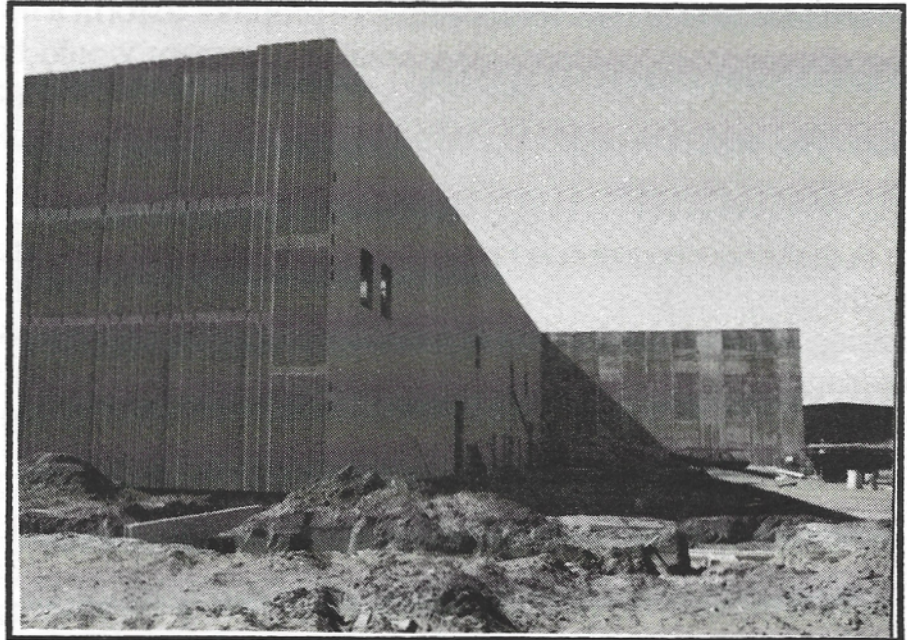
Subject to shareholder approval at the Company's annual meeting on August 18, Mesaba would become a wholly-owned subsidiary of a newly-formed Minnesota corporation called AirTran Corporation. The Company would continue to conduct its airline operations under the name Mesaba Airlines.

For greater detail on the plan see Page 2 in this newsletter.

## Traffic Report

Mesaba flew 31,697 passengers on its system during the month of May compared to 32,081 carried during the same month last year. In May, the company reported a system-wide load factor of 51.5%, compared to a load factor of 57.7% last May.

In June, the Company flew a record 36,173 passengers compared to 35,091 carried last June.. The load factor in June was 57.5%, compared to 59.2% last year.



**Up it Goes..** Mesaba's new hanger facility continues to go upwards. Shown here are the walls which will eventually enclose the three floors of office space in the building. Warm and dry weather have helped keep the project on schedule. Late October continues to be the target date for moving into the new building.

## Company Reports 1988 Earnings

Mesaba reported record earnings of \$1,549,000 or \$0.45 per share for the fiscal year ended March 31, 1988. This compares with a net loss of \$213,000 or \$0.07 per share for the prior fiscal year.

For the year, operating revenues increased 34% to \$29,171,000 from \$21,806,000 a year ago.

"Fiscal 1988 was year of record revenues and earnings for the company," said Robert D. Swenson, Mesaba's President and Chief Executive Director. He added that although earnings in the fourth quarter were down from the prior

year, the second half was the strongest in the company's history.

During the fourth quarter, Mesaba earned \$231,000 or \$0.07 per share compared to \$295,000 or \$0.10 per share for the same quarter last year. Operating revenues totaled \$7,415,000 for the quarter, an increase of 18% from \$6,303,000 in the fourth quarter of last year.

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## Letter From The President

Dear Employees:

Greetings to everyone on our system. I think I'll use this letter to bring everyone up to date on a few items of business.

First of all, many of you know that several weeks ago Mesaba's board of directors approved a proposal to form a holding company for Mesaba. The holding company would be a newly-formed corporation called AirTran Corporation and would serve as the parent company for Mesaba Aviation. The proposal needs yet to be approved by the shareholders at our annual meeting to be held this summer.

A holding company is a vehicle through which to expand business into other areas without having an effect on our current business. It gives the company more flexibility in raising capital for future expansion and facilitates the process of acquiring, establishing and managing new businesses. In simple terms, it permits our company to take better advantage of business opportunities as they arise in the future.

Mesaba Airlines will continue doing business as Mesaba/Northwest AirlinK, and Mesaba Aviation should continue to grow in service to our region. Many other regional and major airlines have these types of holding company structures and we believe that the restructuring, if approved, will be advantageous to Mesaba by facilitating the future expansion and possible diversification of Mesaba.

In other news, as you are aware, American Airlines has just recently purchased their American Eagle partner Simmons Airlines. That move certainly has brought into question how Northwest will handle the loss of an AirlinK carrier in Detroit. Clearly, we expect that we will be considered, with others, to fill an expanded role for Northwest and to continue feeding them greater numbers of passenger traffic.

You should know that contract negotiations with ALPA, representing our pilot group, began in March 1988 and we have tentatively agreed to several sections of the proposed contract. However, the Company and the pilot group have filed for mediation with the National Mediation Board (NMB) to assign a mediator to assist both parties in coming to terms on certain areas of the agreement in a more expedient matter.

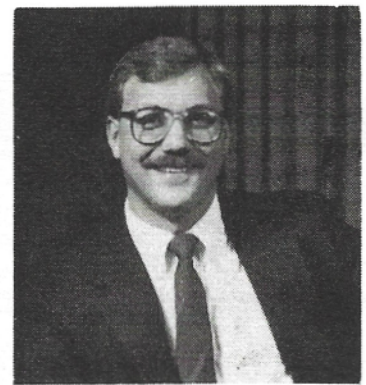
Employee suggestions are coming in through our new program. I have been able to review them with Larry and there is some excellent input. I greatly appreciate your help in generating creative ideas and constructive complaints for our company.

I will do my best to keep you informed of these and other developments as they occur.

Special thanks to all that helped plan the company picnic. I hope that those who attended enjoyed the beautiful day in Lakeville as much as I did.

Sincerely,  
Robert D. Swenson

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# News From Around The System

## 266 Back in Action

Fokker F27 #266 is back in action after its three month visit to Canada for its "D" check.

The maintenance check, done at 8,000 hours, was performed near Montreal by Air Innovation.

The aircraft, sporting a new shiny coat of paint is back on the system. It is the only Fokker F27 so far to feature gray in its paint scheme.



#266 reported back to the system with clean slate and a new paint job. The new paint scheme features the color gray on the fuselage and the wings.

## News From The Pass Bureau - Scenic Airlines

by Nancy Ellis

*Each month the Pass Bureau features a different airline that Mesaba has reciprocal pass privileges with. This month, Scenic Airlines is featured:*

Scenic Airline's hub is located in the beautiful hub of Las Vegas.

Fly Scenic Air through the Grand Canyon and enjoy some of the most spectacular scenery in the world.

Scenic Air has scheduled airline service as well as air tours, available for reduced rate transportation. The scheduled service departs Las Vegas and heads to the Grand Canyon and then returns again, with a summer and winter schedule. The tours offered are as follows:

Air Tours - complete aerial sightseeing tour of the Grand Canyon South Rim, hiking into the Canyon, or a variety of optional activities such as local helicopter or airplane flights, or the IMAX Theater experience; and lastly the Deluxe Air/Ground Tour which includes a bus excursion through the National Park with a stop at the Visitor's Center, IMAX Theater experience, and a buffet luncheon with time for shopping.

### Scenic Pass Agreement

Scenic Air offers to all full-time and permanent part-time employees who have been employed with Mesaba for six (6) months, unlimited 75% reduced rate transportation. Includes the employee's spouse and dependant children under 21 years of age. Also, all full-time employees having a minimum of one (1) years seniority

are eligible for one (1) 90% reduced rate transportation per calendar year. Scenic Air's minimum fare for any reduced rate ticket shall be \$20.00 OW or \$40.00 RT. Parents are eligible to receive unlimited 75% reductions per calendar year.

### Procedure to apply for a Scenic Air 75% or 90% reduced rate:

Complete an application for transportation. Submit to Pass Bureau along with a check or money order payable to Mesaba Airlines, a self-addressed stamped ticket size envelope at least two weeks in advance. All tickets will be returned to you via U.S. Mail.

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# Letters We Like

May 24, 1988

Dear Mesaba Airlines

I would like once again to convey our thanks for the excellent job your staff did on the charter we set up for St. Lukes Hospital here in Aberdeen (April 28 Aberdeen to Minneapolis returning May 1 from Minneapolis to Aberdeen).

Please express our gratitude to the staff here in Aberdeen, the flight crew, and the ground crew meeting the charter in Minneapolis. All these people did an excellent and professional job in handling this group.

We appreciate all the helpful assistance with this group. "Everyone" was most helpful in every aspect from the time of my first phone call to the time the flight returned to Aberdeen. Once again, thanks for "a job well done!"

Sincerely,

Brenda Pierson, Manager  
Jean Fritz Travel - Aberdeen, SD

June 8, 1988

Dear Mesaba Airlines Staff:

Was so surprised to receive your phone call stating my address book arrived on the next flight to Brainerd from Minneapolis. With all the conversation and unpacking I was doing, I hadn't had time to miss it. But your call was most welcome and eventually would be very relieving. I thank you very much for this fine service and other services you extended to me on my flight. I also look forward to many other flights on your airline in the future.

Most Sincerely,

Mrs. Gergory Mirsch  
Brainerd, MN

## PASS, continued

Scenic's Pass Agreement for the Air Tours:

The following services and rates are available to airline employees, spouse and their dependent children under 21 years of age. To receive the following discounts the employees must be employed with Mesaba for six (6) months and must present a company I.D. Tour rates include \$7.00 tax. All tours are on a space-available basis.

### Tour rates: Rate per Person

Air Tour	\$36.75
Freedom Tour	\$41.75
Deluxe Tour	\$71.75

Procedure to Apply for Scenic Air Tour Tickets: Complete and send in application using the same procedure as for Scenic Airline passes.

*Call the Pass Bureau with any*

## Northwest Introduces Airvision

On June 21st, Northwest Airlines introduced an airborne video system, call Airvision. The special service offers passengers six channels of video programing via personal screens mounted in the back of airline seats.

Showing off Airvision during an in-flight news conference over Canada aboard a Boeing 747 jumbo jet, Northwest was joined at the news conference by officials of Airvision, a joint venture of Warner Bros. and Philips of the Netherlands. "For the first time on a commercial airliner, passengers will be in full control of their in-flight video programming," said John F. Horn, Northwest's president and chief operating officer. "Customers are no longer captives of the single big screen offering."

Northwest has installed Airvision on 116 seats aboard one of its Boeing 747s for a 120-day evalua-

tion program. The aircraft will fly principally on Northwest's non-stop service between Detroit's Metropolitan Airport and Tokyo's Narita International Airport.

## TVF Station Change

Mesaba's Thief River Falls station personal will have a new counter look beginning in late June, due to the departure of Bemidji Airlines from the Thief River Falls market. For four years, Mesaba has been operating out of a corner counter located in the main terminal of the Thief River Falls Airport. Rita Gausen said the move "will be a nice change."

# 1988 Summer Picnic. Fun in the Sun

## Oh... what a day!

Mesaba held its annual picnic on June 21st at Antler Park in Lakeville, Minnesota. Featuring games, a pig roast and a "wick'd" volleyball tournament, the picnic was a fun day for those attending. Laughing children, bursting water balloons and a few sunburns all accompanied the day long event.

Below are some pictures taken from the days events.



Strawberry Shortcake was a busy beaver as she entertained and painted the faces of Mesaba's children.



**Oops...**

The water balloon toss is always a favorite. Above, the toss is in mid air and someone is going to get wet..



A couple of young onlookers are kept in wonder by the roasted pig that was featured at the meal. (Photo by Craig Carroll)



**Tug of War!**

The maintenanc team is seen here being pulled into the water in a losing bout of tug of war.

## Get your own Picnic T-Shirt

Now, you can order your own 1988 "Summer Take Off" tank-top T-shirt if you haven't already. These comfortable shirts are 50% cotton and 50% poly and are per-

fect for the hot summer months. Available in a bright white design, the lettering is red and blue and features a Mesaba logo. Cost is \$5.00 and if you are interested, contact Marketing and P.R. at x238 or x230 (talk to Doug or Char). Limited supply available. Don't miss out!



# Employee News

## New Employees

### Full-time

James Hertel, Dispatch  
\*Niel Bratland, CSA/MSP  
\*Patricia Karau, CSA/MSP  
\*Lisa Cahlander, Flight Attendant  
Angela Olson, Accounting Clerk

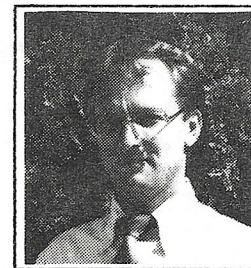
\*Part-time to Full-time

### Part-time

Darrin Ceason, CSA/MSP  
Carmen Jackson, ACE/GPZ  
Sherry Iverson, SCA/BRD  
Scott Tuomala, CSA/BJI  
Mary Huston, CSA/BRD  
Robin Michalek, CSA/BJI  
Kelly Bjornson, CSA/JMS  
Barbara Fallstead, CSA/LNK  
Theresa Tauer, CSA/MSP  
Darina Thielen, CSA/MSP  
Mary Millerbernd, Flight Attendant  
Colleen Clasing, SSE/MSP

## Promotions

Rhonda  
Miller



Roger  
Tuttle

**Rhonda L. Miller** has been promoted to the position of Manager, Aircraft Planning effective June 20th.

**Roger Tuttle**, Customer Service manager of Watertown, has transferred to Brainerd, MN where he will assume the position of Customer Service Manager there.

**Kathleen Stricker**, customer service agent in Watertown, has been named Customer Service Manager in Watertown.

## MSP AGENT OF MONTH

Congratulations to Chris Hill, recipient of the MSP Employee Recognition Award for the month of May 1988.

"Chris's supervisors have selected him because of his outstanding performance during the month and for his willingness to learn and accept new and additional responsibilities," said Dan Sheehan, Manager of the Minneapolis station.

A native of Annandale, Minnesota, Chris has worked for Mesaba in the customer service area for six months.



Chris Hill

*Don't forget to send company personals each month...Births, Weddings and other special events. Send by 15th of each month to Marketing and Public Relations. We'll make sure that special event gets mentioned in the newsletter.*

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## New Employee Suggestion Program

Mesaba employees now have a system through which to voice suggestions to the company. The program, called "I Hear You Now" was implemented in mid-June by Vice President Larry McCabe and involves giving employees the opportunity and means to suggest ideas to Mesaba. Several white mail boxes are located at several locations in Minneapolis and cards have been sent to all outstations. Employees fill out a card, insert it into the locked box, and if they request an answer, they will receive one. Outstation personnel send

in their suggestions come to Larry McCabe.

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**"Good Suggestions are already coming in"**

Larry McCabe

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"We want to make sure that employees with suggestions for the company, good or bad, can make them to the company," said Larry. "The 'I Hear You Now' program lets employees give their ideas and comments without feeling intimidated."

Larry says that suggestions have started coming in and many of them are good ones. He encourages any employees that have any questions about the program to call him personally.

Hey, Hey! Send those suggestions!

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## Record Boarding Day

Mesaba had an unofficial record on July 5th when the carrier flew 1638 passengers, according to Mesaba statistician Chuck Howe. On June 30th, Mesaba broke the previous record with a daily passenger number of 1630.

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## Words to Work by:

*Thanks to Bill Steinmetz for submitting.*

All of the people who come to us, write to us, or call us on the telephone or radio, are the important people in our work.

They are not dependent on us...we are dependant on them.

They are not an interruption of our work...they are the purpose of it. We are not doing them a favor by serving them...they are doing us a favor by giving us the opportunity to do so.

People who come to us are not outsiders to our Agency...they are part of it.

People are not cold statistics...they are flesh and blood human beings with feelings and emotions like our own.

They are not someone to argue or match wits with...nobody ever won an argument.

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## Industry News

### American, Simmons sign purchase agreement

**Air Transport** - AMR Corp, the parent company of American Airlines, and Simmons Airlines signed a definitive agreement under which AMR will acquire Simmons, one of its American Eagle commuter airlines, for \$78 million.

Simmons, fourth largest regional airline in the U.S., operates about 350 weekday departures from 34 airports in seven states. The carrier operates a fleet of 38 aircraft. Under the terms of the agreement, an AMR subsidiary will pay \$17.50 in cash for each of Simmons' 4.5 million shares of stock.

Simmons has been an American Eagle partner of American's since

October 1985, and also a Northwest Airlink partner in Detroit.

### Northwest fifth in May On-time rank

Northwest's May flights arrived on time 83.9% of the time, according to D.O.T.'s monthly airline report. The carrier ranked sixth in April.

The monthly on-time performance marks a gradual improvement in recent months.

Ahead of Northwest in on-time performance, in order, were Southwest Airlines (92.5%), America West, American and Delta.

Northwest ranked 7th in consumer complaints for May out of the 13 major airlines included in the monthly report.

# VolleyBall War!

Slam! Dunk! KaBang!

These sounds and more were all present during the volleyball tournaments at this year's annual picnic. In one of the most exciting departmental tournaments to date, all of the match-ups provided players and spectators with action-packed play.

Winning the tournament for the first time was the Marketing department team who narrowly defeated the tough Maintenance team in the close final game. Closely following those teams were the Parts Team, the Flight Operations Team and the Inflight Service Team. Missing this year's tournament was last year's winning team, the customer service team.

Pictured at right are the first and second place teams.



**Winners!** Members of the Marketing team are (l to r); Doug Fulton, Kathy Blomquist, Mike Punton, Pam Pankratz, Mike Ellis Tony Launer, Lori Lucas and Jim Kurkowsky.



**Runner Up.** Playing on the maintenance team were Mark Stockman, Grant Barber, Brad Baker, Mark Newman, Pete Kienzle and Dave Pankratz. Missing are Dan Kelly, Carl Millican and Marlin Schaffer.

**MESABA ON THE MOVE**

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