

MESABA ON THE MOVE

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

October 1989 * Vol 2. * No. 16

Golf Outing Fun Affair

Swish. Bang. "Fore!"

These sounds and more were all heard at the company's first annual golf outing held in Canton, Michigan on September 30th. The outing was attended by employees from Mesaba's East and West system.

The day featured a tee-off time for employees at 11:30A from the first tee of the Fellows Creek Golf Course, located twenty minutes from the Detroit Metropolitan Airport. The 18-hole contest was a challenge for the employees that participated in the first ever event for the airline.

"The greens were too fast and there were too many sand traps," explained Sarah Rugloski, who was playing her first round of golf ever. "Us amateurs had a hard time...but it was fun," she explained.

Brad Osborn was also playing one of his first rounds, but under the tournament scoring system, he won the tournament with his 18-hole score (Mr. Osborn didn't want his score published). Steve Simpson won the low gross trophy with his score of 84. Other awards were given away at the banquet.

The outing also featured a social hour and dinner which began at 3:30P for persons who were not interested in



More pictures from the golf outing on page 7.

Service Begins to Muskegon



Mesaba began new service to Muskegon, Michigan on October 11. Service to the new city includes three daily round-trip flights to Detroit. Muskegon is the thirty-fourth city on Mesaba's route system.

golfing. Nearly sixty-five persons attended the banquet that was held that evening at the Country Club.

Members of the golf committee that worked to put on the event were:

Linda Macklin, Andrea Peura, Tom Talbot, Charlean Sabo, Char Roden and Doug Fulton.

Mesaba Expresses Concern Over Essential Air Service Funding

On September 8th, Mesaba wrote a letter to the Department of Transportation expressing the company's concern over the funding levels of the federally funded Essential Air Service program. That program subsidizes air service at many small and medium size communities throughout the United States.

The letter stated that unless appropriate funding levels for the program were in place could be guaranteed for the next contract period, Mesaba intended to discontinue service to cities where it currently receives federal monies under the program. Cities which would be affected under the program include

EAS, continued on page 5

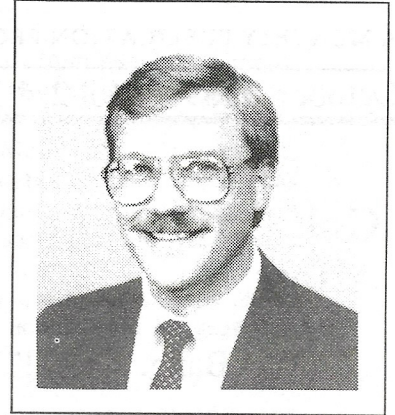
Letter From The President

October 1989

Dear Employees:

At our most recent quarterly manager's meetings, I outlined a plan which will enhance our schedule reliability and prepare all of our departments for our next phase of expansion which we expect to take place in the Spring of 1990. This plan is called, "Operation Recharge" codename "Everready;" and I would like to review it with you.

As you are all aware, over the past twelve months, we have expanded our company over 100 percent in passengers, operations, revenues and employee numbers. "Operation Recharge" is founded on the premise that we take a period of time - the five months, from October to February, - to strengthen our reliability and company procedures so that we may successfully enter a new stage of growth. Our goal is to increase system-wide completion to at least 98 percent and on-time performance to 80 percent.



Here is what we hope to accomplish over this next five month period:

- We are strengthening each department by adding some filling management positions and by assuring there are adequate numbers of employees, in the areas of flight operations, inflight service, maintenance and customer service.
- We are establishing a maintenance base at Central Wisconsin.
- We will be reviewing all policies and procedures in the company.
- We are focusing on improving facilities, including the work which is currently being done on Gate 15 in Minneapolis/St. Paul and on our planned Detroit maintenance hangar.
- The company is establishing a Tech's and Publication's department to work with manuals and other important company documents.
- We are reviewing Stores and Purchasing too assure the proper mix of spare parts inventories by location.
- We have already invested in a new crew scheduling computer program to strengthen that area.
- Employee service training will be focused on, including the October re-introduction of our Leadership Training Program for our managers.
- We plan to implement our own internal safety audit program.

In addition, effective October 1, we have implemented scheduling changes which actually reduces total block hours flown over this period of time. For example, in August, we flew our F27s 3,000 hours and our MIIs 3100 hours. In October - and for the next five months - those numbers went to 2,600 and 3,000 hours, respectively. Additional aircraft deliveries taken in September also allow us the opportunity to have spare aircraft available in the case of mechanical situations where we might otherwise have to cancel a flight.

"Operation Recharge" will give all of our departments the chance to catch up, implement proper changes and strengthen areas that need to be worked on. By the Spring of 1990, we hope to acquire two or three additional F27 aircraft. "Operation Recharge" will allow us to prepare for new growth in the late Spring/early Summer of 1990.

The past year was a year in which we reacted to American Airline's timetable of service pullouts in the Detroit market through their Simmons Airlines airline system. Together, we have accomplished a lot and grown the company substantially. We are now on a plan under which we control the timetable for expansion and thereby assure the quality of service that we strive for.

Thank you for your help as we make improvements in our reliability and service.

A handwritten signature in black ink, appearing to read "R. Swenson". The signature is fluid and cursive, written over a light background.

Robert D. Swenson
President and Chairman

Company News

New Look in Houghton and Toledo

Mesaba has a new look in Houghton. The company has moved its ticket counter from one side of the terminal to the other with the advent of American Eagle discontinuing service to the city. The company is replacing the spot where American Eagle used to be.

In Toledo, Mesaba will also be moving its ticket counter when TWA departs the market on October 28. Mesaba will replace TWA in their current location by October 30.

Mesaba to Perform Maintenance in CWA

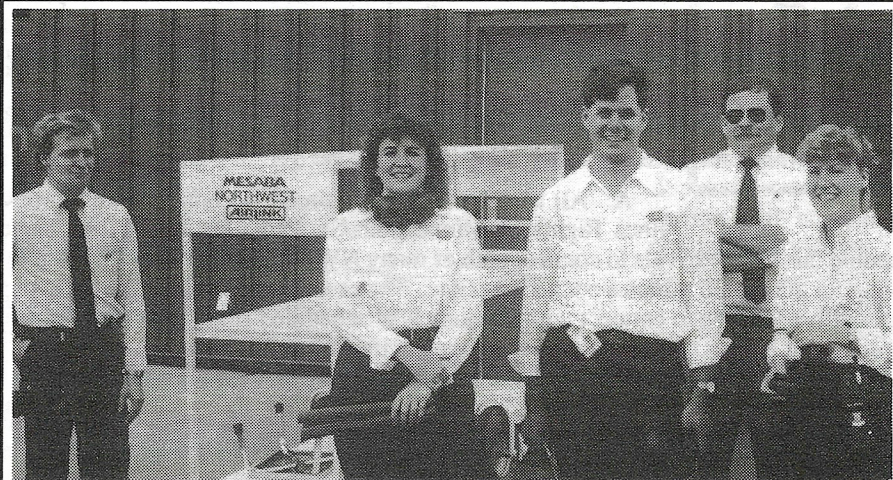
The company is planning to perform aircraft maintenance at its Wausau maintenance facility later this year, according to Bernie Loegering, acting Vice President of Maintenance.

The maintenance work, initially, will be done by third shift personnel who will perform scheduled maintenance

Mesaba On The Move is published monthly by Mesaba's Marketing and Public Relations department for employees and friends of the Company. The newsletter accepts for publication stories and articles related to Mesaba, AirTran Corporation and any of its employees or operations. Send all information to: **Mesaba On The Move** - 7501 26th Avenue South - Minneapolis, MN 55450.

Subscription rate is \$7.00/year.

Editor - Douglas P. Fulton



First Day in Moline Waiting for one of the first Mesaba F27's to arrive in Moline in early September are (l to r): Scott Lepper (MLI CSM), Kathy Jaret and Tom Eckman (MLI CSA's), John Tobin (PIR CSM), who was part of the initial start-up team, and Cindy Erwin (MLI CSA). Additional start-up help for the first few days of service was provided by Pat Burke (ABR CSM) and Martin Lewandowski (LNK CSM). Mesaba began four round-trip flights between Minneapolis and Moline on September 6 when it replaced Northwest Airlines in the market. - *thanks to Dennis Ofstedahl for submitting.*

on aircraft which overnight at the Central Wisconsin airport. Currently, Mesaba parks two F27 and one MIII aircraft at the airport.

Approximately eight persons will be employed at the facility, including a manager and a lead mechanic.

Mesaba purchased the 38,000 square foot facility in April of this year. The building, which was built in 1982 for use by Midstate Airlines, has been used by Mesaba until now for overnight storage and grooming.

AirTran Reports 2nd Quarter Earnings

AirTran Corporation, parent company of Mesaba Aviation, reported earnings of \$1.6 million or 39 cents per share for the quarter ended September 30, 1989. This compares with net income of \$601,000 or 17 cents per share for the same quarter last year.

Earnings for the six months ended September 30, 1989 were \$2.3 million or 58 cents per share compared net income of \$1.1 or 33 cents per share for the same period one year ago.

Robert D. Swenson, President and Chairman of AirTran, said, "Our NEWS, continued on page 4

2ND QUARTER
3 months ended Sep. 30, 1989

Financial

Operating Revenues - \$19.3 million

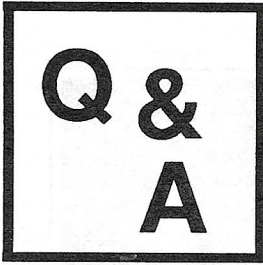
Operating Income - \$2.8 million

Net Income - \$1.6 million

Statistical

Revenue Pax Carried - 236,344

Load Factor - 57.5%



The following article is the first of a three part series on the company's scheduling department. Director of market planning, Jeff Jones, discusses some of the issues that are involved with the scheduling of Mesaba's flights. Mr. Jones welcomes comments and questions.

Q: How does Mesaba decide what time to operate flights to a particular city?

A: All Mesaba flights are timed to connect with Northwest Airlines flights at Minneapolis/St. Paul, Detroit or Milwaukee. We schedule our flight arrivals to connect with as many NW flight departures as possible after allowing for at least 30 minutes connecting time. The same is true for Mesaba flight departures. Every effort is made to connect with as many NW scheduled flight arrivals as is possible allowing for at least 30 minutes connecting time at the hubs.

Q: Why do all our arrival and departure times at the hubs seem so close together? Can't they be more spread out throughout the day?

A: Spreading them out defeats the purpose of trying to schedule for the maximum number of possible flight connections. Let me give you an example. At Minneapolis/St. Paul, Northwest has 28 flights departing for destinations across the country between 7:45 a.m. and 8:15 a.m. Any concentration of flight departures or arrivals such as this is called a "bank" of flights. Mesaba does its best to schedule as many flights as possible to connect to large banks of Northwest flights at the hubs so that passengers can travel to a wide array of destinations across the country and the world. In this case, all our flights must arrive prior to 7:15 a.m. so that connections can be made to all the Northwest destinations after allowing for the necessary 30-minute connecting time. As a result, Mesaba schedules flights from 15 cities to connect with Northwest's 7:45-8:15 bank of flights. The Mesaba flights arrive between 7:05 a.m. and 7:15 a.m.

Q: Passengers must have to leave very early from their originating city to make those connections.

A: Yes they do. But as long as Northwest has a bank of flights leaving Minneapolis/St. Paul

at that time of day, we will continue to offer our flight connections--our own "bank" of inbound flights. As a matter of record, the early morning flights are among the more full flights we have the day, and if passengers do not want to get up so early, they can always schedule their flight on a later connecting flight.

Q: How do we decide how many flights each day to have between any particular city and its hub?

A: That depends on demand, competition, the size of the city and the distance from the hub. Some of our smaller cities can support just two trips each day to the hub. Additional flights would not attract enough incremental passengers to be profitable. For other cities, we are still in the process of determining what the optimum number of flights is. Right now, we have several cities which need more flights and/or larger aircraft. As additional aircraft enter the Mesaba system, we will continue to build those markets. In some cases, a city may be so far away from the hub that the time taken to make one round trip limits the number of "banks" to which we can connect at the hubs. Yet another factor which helps determine the number of flights is growth in particular markets. At several Mesaba cities, recent changes in local industry or tourism have made it apparent that additional service is necessary. We try to respond to such changes as quickly as is possible.

Next month, look for the following issues and more: Why do we have so many changes in our flight schedule? What determines scheduled holiday cancellations?

NEWS, continued

second quarter earnings were the strongest in the company's history reflecting the strength and major contribution of our new Detroit hub to our operations."

August Traffic Increase

Mesaba reported that it flew 18.7 million revenue passenger miles during the month of August, a 110.4% increase over 8.9 million revenue passenger miles flown during the same month last year.

The airline carried 88,552 passengers during the month, an increase of 135.6 percent over 37,586 passengers carried during the same month last year.

Mesaba's load factor in August was 60.2 percent, compared to a load factor of 57.2 percent last year.

EAS, continued from page 1

Jamestown and Devils Lake, North Dakota and Brookings, Mitchell and Huron, South Dakota.

The Essential Air Service Program, known as Section 419 of the Federal Aviation Act, was passed in 1978 to guarantee air service to nearly 550 small and medium size cities that might be affected under Deregulation - when major carriers obtained the legal ability to stop flying to unprofitable routes. The ten-year program was intended to guarantee service at the points, with federal subsidy if necessary, to stimulate traffic and make each city self sufficient by the end of the program. In 1987, the federal government funded nearly \$35 million to cities in the program.

The program was originally scheduled to end in 1988, however, new legislation was passed extending the program for another ten year period beginning October 1988.

The problem with the current program, according to Mesaba's letter to the Department of Transportation, is that "there is a lack of a long-term commitment towards the program by Congress." Last year, for example, Congress appropriated \$25 million for the program, \$6.6 million less than what was necessary to fund the program for the entire year. An emergency appropriations bill was passed by Congress only weeks before the program ran out of money, to cover the additional \$6.6 million needed to carry the program for the year.

This year, originally the House passed a bill funding the program for \$12 million and the Senate a bill for \$36 million. The two bodies recently came to an agreement on a bill which contains \$36.5 million for the program. Several Congressmen from states that would be affected by Mesaba's decision, have contacted the company and have introduced bills which would theoretically guarantee funding for the program. North Dakota Congressman Byron Dorgan, for example, is the co-sponsor of a bill which would tie the Essential Air Service program funds to the Airport and Aviation Trust fund. Regardless, Mesaba said that it could not determine what it would be forced to do.

In-House First Aid Course

As safety is a primary concern at Mesaba, we are always looking for ways to better prepare ourselves in times of emergencies. On October 5, Mesaba held its first in-house first aid course taught by Holly VanZant. Course participants were: Cheri Bel-

den, Sherron Gaughan, Mark Hauer, Kim Malwitz, Ann Romera, Howard Nelson and Vicki Young. The eight hour course was designed to give its participants the necessary skill level to go on to become certified first aid instructors. It was a great success!

Most of the participants are trained flight attendants and already certified. Mark Hauer and Howard Nelson are CPR instructors.

While CPR and first aid are already an integral part of the initial flight at-

"Mesaba can no longer profitably commit assets in excess of six million dollars for a program that lacks adequate funding and now appears to be funded on a month-by-month basis," said Vice President Phil Swenson in the letter to the Department of Transportation.

The Senate and House of the Congress are currently working on next year's bill and Mesaba stands ready to make a

decision on whether the airline will be able to continue service or not throughout the year.

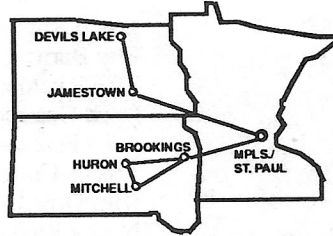
Robert Swenson, President of Mesaba, recently told a group of company managers, "If we are guaranteed funding for the next year, and the Department of Transportation approves our rate increase, then there is a chance that we

could continue serving our Essential Air Service Communities. However, if we do not receive a strong commitment by Congress and D.O.T., then we will have little choice but to re-allocate our equipment to other markets."

Mesaba has served the three South Dakota cities since 1982 and the two North Dakota cities since 1983. Since then, officials from the company have developed a strong relationship with local and civic leaders from all of the communities.

"It is difficult to make these decisions, since we have enjoyed working with these communities and respective civic leaders," said Phil Swenson in the letter.

The company expects Congress to approve a bill for the coming year and anticipates that it could be months before a decision is made in service to the markets. In any case, a new carrier would need to be found by the D.O.T. to replace Mesaba before the company could pull out of any of the Essential Air Service cities. That, according to the company, could be some time.



tendant training program, this class will provide the opportunity for a higher level of proficiency in its instructors.

A special thanks to Mark Hauer and Howard Nelson for their teaching of CPR to the new flight attendants and to Dan Sheehan for donating one of his CSA's.

- Thanks to Ann Romera for submitting.

Employee News

New August Employees

Full-time

Jeff Starkman, Dispatch, MSP
Joseph Kalina, Dispatch, MSP
Edward Smisek, Pilot, DTW
Gary Rider, Pilot, DTW
Todd Cone, Pilot, DTW
Thomas Geerlings, Pilot, DTW
Kirk Rickert, Pilot, DTW
Mary Ann Morosky, Pilot, DTW
Steven Lowrey, Pilot, DTW
Steve Levin, Pilot, DTW
Frank Dotson, Pilot, DTW
David Carey, Pilot, DTW
Tim Keohen, Pilot, DTW
Doug Tonaglia, Pilot, DTW
James Latta Jr., Pilot, DTW
Raymond Cooper II, Pilot, DTW
Todd Kohner, Pilot, DTW
Daniel Gill, Pilot, DTW
Jay Reed, Pilot, DTW
Kristin Alberts, Pilot, DTW
Mike Wozniczka, Pilot, DTW

Part-time

David Rupinen, Commissary, MSP
Eric Barnes, Stock Clerk, MSP
Tina Ritchie, Flt. Att., MSP
Lynn Osterberg, Flt. Att., MSP
Amy Featherstone, Flt. Att., MSP
Tracey Cornwell, Flt. Att., MSP
Kim Droen, Flt. Att., MSP
Nancy Baldwin, CSA, MSP
Brian Roth, CSA, MSP
Craig Seaburg, CSA, MSP
Shawn Seim, CSA, MSP
Diane Becker, CSA, CWA
Wendy Brus, CSA, MLI
Cindy Erwin, CSA, MLI
Sheila Hollander, CSA, MLI
Kathryn Jared, CSA, MLI
Scott Kaiser, CSA, MLI
Doug Peterson, CSA, MLI
Dixie Carruthers, CSA, MLI
David Clausen, CSA, MLI
Tracey Kienitz, CSA, MSP
Mary McClean, CSA, MSP
Tammy Payne, CSA, MLI
Bruce Barney, CSA, CAK
Susan Loveland, CSA, CAK
Roland DuMonthier, CSA, CMX
Sandra Jaehnig, CSA, CMX
Randall Nottke, CSA, CMX

Mesaba Memos

Congratulations to **Kelly Bjornson** (Pass Bureau) who was engaged to **Brad Barker** (Metro captain). A December wedding is planned in North Dakota.

Congratulations to **Jeff Brown** (Flight Operations) and wife **LaRae** on September 15 birth of daughter **Megan Mary**.

Congratulations to **Jerry Mensen** (Maintenance) and wife **Debbie** on October 16 birth of son **James Randy**.

Manager News:

Hopper Promoted to Director of Flight Operations.

Brian Hopper was promoted to the position Director of Flight Operations. In his new capacity, he will oversee the areas of Dispatch, Crew Scheduling, Metro and Fokker operations.

Dave Schwarz was promoted to Manager/Avionics.

Scott Holt was promoted to Customer Service Manager in Muskegon.

Jan Noles was promoted to F27 Chief Pilot.

Steve Siracusa was hired as Director of Crew Scheduling.

Allison August was promoted to Customer Service Manager in Pellston.

Mark Schneewind was promoted to Supervisor of Customer Service in Minneapolis/St. Paul.

Deniese Cronkright was promoted to Customer Service Manager in Marquette.

Annette Bruggeman was promoted to Customer Service Manager in Thief River Falls.

Karen Katterhagen was promoted to Customer Service Manager in Brainerd.

A Day on The Sunny Course..

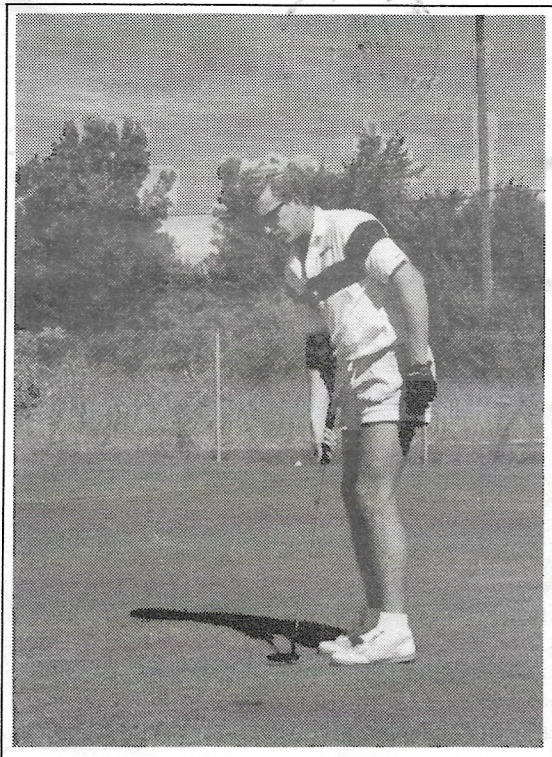
Mesaba employees enjoyed a sunny day on the golf course on Saturday September 30th when Mesaba sponsored its first annual employee golf outing. The event was held in Canton, Michigan. A dinner was held after the golf outing which was attended by sixty-five employees. Below are some photos from the golf outing.



Tom Talbot attempts to blast a shot out of one of the dreaded sand traps on the course..



The refreshment cart was never far away when a drink was in order. That was, of course, if the driver were not socializing in some far away place.



Photos: Top - Gerry Monyok attempts to make a long putt. At left - Joe Waitros makes a one handed putt.

Winners: Joe Waitros - Closest to Pin. Steve Hanifl - Longest Drive. Rodney Samuels - Longest Putt. Jon La-Jambe - Longest Drive.

Notes

- Northwest owner and chairman, Al Checci, flew Mesaba's service for the first time to Brainerd the week of September 25th. His flights operated on time.

- Mesaba took second place at the 20th annual Moline Airline Golf outing sponsored by the Quad Cities Airport Authority. Representing the team were Lawrence Rogers, Scott Lepper and Doug Fulton. Finishing 1st and 3rd, respectively, were the Illinois Department of Transportation and Simmons Airlines.

- Big Sky Airlines, which operates as Northwest Airlinck in Montana, announced that effective October 1 it was discontinuing service to eight cities and laying off nearly 100 employees due to financial difficulties. The Bill-

ings- base regional airline filed Chapter 11 bankruptcy last year.

- The company's Central Wisconsin Airport staff helped sponsor career day at the Wausau airport on Friday, September 29.

- Larry McCabe said that the large corporate signs for the new hangar in Minneapolis/St. Paul would be in place before Christmas. He explained recently to company managers that the name "Mesaba" would be hung on the east side of the hangar and the name "AirTran" would appear on the south side.

- Longtime Mesaba Inflight Services Director, Holly Van Zant, has taken a job with the Federal Aviation Administration as Inflight Inspector. She said she was sorry to be leaving Mesaba, however, she noted that she

would continue to fly on Mesaba. Only now, she snickered, as an FAA inspector...

- Officials from Fairchild Aircraft, Inc. stopped by Mesaba on October 23 to show off the company's recently designed Metro 25. The aircraft, shaped exactly like the Metro III, has been redesigned to seat 25 passengers by adding seats where rear storage compartment used to be. A belly pod has been added to the bottom of the aircraft to accommodate baggage and cargo.

- Employees are encouraged to send this newsletter their "big deer" pictures from this fall's deer hunting season. Photos will be reprinted in November's newsletter. Include name and deer size with each photo.

MESABA ON THE MOVE

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