

Company asks for 5 nonstops --new north-south corridors



Map above depicts the three new corridors—from Seattle in the north to Tucson in the south—that would be created in our route system if the CAB approves our application for five new nonstops (solid lines). The corridors are completed with nonstop routes for which we already have authority (broken lines)—Seattle-Portland and Sacramento/Fresno-Tucson. The CAB has tabled its consideration of the application.

We will have three new major north-south corridors in our route system if the Civil Aeronautics Board approves our latest application for additional nonstop authorities.

The proposed corridors are:

- Seattle-Sacramento-Tucson
- Seattle-Portland-Sacramento-Phoenix
- Seattle-Portland-Fresno-Tucson

These corridors can be implemented if the board approves our application to fly nonstop between Sacramento-Seattle, Sacramento-Portland, Sacramento-Phoenix and Fresno-Portland. (We also asked for Fresno-Seattle nonstop authority.)

If these are granted, we would also inaugurate nonstop service between Tucson and the two California cities—for which we already have authority—thus completing the proposed north-south corridors.

We now provide only multi-stop or connecting service between Sacramento-Seattle/Portland/Phoenix and Fresno-Portland/Seattle because of intermediate stop restrictions in our operating certificate.

The nonstop application was filed March 12. On March 26, the board tabled consideration of the application.

"This is not necessarily bad," according to Terry Marshall, regulatory affairs director. "Ideally, they would have set a hearing date, but on the other hand they had the option of dismissing the application outright, too."

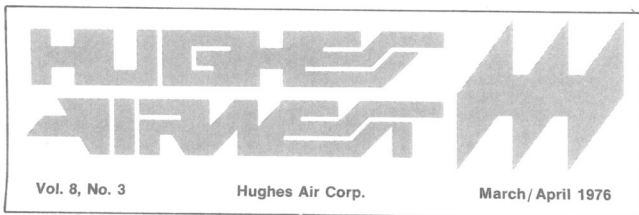
It is not known when the application might be set for hearing.

IN MEMORIAM



Howard Robard Hughes

December 24, 1905 - April 5, 1976



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High-speed switches key to instant cut-over to new res, ticketing computer on July 18

The mere flick of switches in five cities on July 18 will culminate six months of planning and preparations as Hughes Airwest cuts over to a computer system that will bring vast improvements to our reservation and ticket handling.

Planning for the cut-over is on schedule, according to Arch Miller, marketing staff vice president. Agent training material and master manual procedure updates are now being prepared.

The new passenger name record (PNR) system will enable us to better respond to passengers' needs, giving agents expanded capability in quoting fares, writing tickets, booking hotels and verifying credit cards. Also, a programmed self-instruction training system will be available starting in the fall.

The nerve center is a Miami computer owned by Eastern Airlines. We signed a contract with them in December.

We now use the system of Mutual Computer Services (MCS), a subsidiary of Continental Airlines, based in Los Angeles.

High-speed switches—providing for instant cut-over to Miami of all agent-set terminals—are being installed in our four telephone sales offices and at the three stations with CRTs (cathode ray tubes)—San Francisco, Los Angeles and Las Vegas.

The switches will allow us to cut back immediately to the present system in Los Angeles if an unexpected problem arises in the initial switch-over.

Telephone lines—which will link the seven switching stations directly with Miami—have already been ordered. The lines will be installed by May 10 and the system is expected to be fully functional by May 15, allowing for two months of testing before the complete switch-over.

Training of agents at all stations, telephone sales offices and city ticket offices will begin June 20. Training and procedure manuals will be distributed in advance. Instruction is expected to take about eight hours per employee.

Miller said he expects no problems in the switch-over. Southern Airways is already on the Eastern PNR system and two other regional carriers—Piedmont and Ozark—will be switching to it from MCS before we do.

"This means that both Eastern and MCS will have the experience of two switchovers before ours comes up July 18," he said.

Following Piedmont's switch in early May, a

Piedmont's headquarters in North Carolina to pretest our programs and training materials through their system.

The first step in our cut-over has already been taken. On April 5, we began using Eastern's lost-and-found scanning capability, called "Easy Trac".

While MCS checked only Hughes Airwest's records for missing and on-hand baggage, the new system scans the records of 16 U.S. airlines.

Some short delays have been encountered in sending and receiving lost-and-found messages through the new system, because messages must go through the ARINC (Aeronautical Radio, Inc.) message switching system in Illinois until the July 18 cut-over date.

"But this new capability completes one step toward the final switch-over," Miller said.

In Phoenix

Drechsler promoted to maintenance staff vice president

William G. Drechsler has been promoted from senior director to staff vice president of maintenance and engineering, based in Phoenix.

Drechsler, 43, joined the company (West Coast) in 1955 as a mechanic in Seattle. He later was a lead mechanic and foreman, and in 1968 was promoted to maintenance director.

He was named maintenance and engineering senior director in August 1974.

Drechsler assumes responsibilities from Robert K. Jorgensen, who has been named overseas operations staff vice president in San Mateo. (See



Enroute

Hughes Airwest's international activities are symbolically reflected by this sign in Sondrestrom, Greenland. That's our DC-9-30 in the background. Ten of our employes ferried it to Ghana in March to begin our Aviation Assistance Program there. For com-

SERVICE ANNIVERSARIES

These employees celebrated service anniversaries during March and April.

THIRTY YEARS

LAS VEGAS—Richard Hall, captain. SEATTLE—Richard Kneidl, captain.

TWENTY-FIVE YEARS

PHOENIX—William Baughman and James Ardy, captains. Robert Walker, maintenance director. SAN FRANCISCO—Melvin Silvera and Harold Fitzsimmons, captains. SEATTLE—Elbert Snider, John Dotson, Charles Long and Samuel Brose, captains. SAN JOSE—Ward Gross, station manager. RENO—Glenn Woods, station manager.

TWENTY YEARS

MONTEREY—Fred Hykal, station manager. SEATTLE—Charles Geisler, chief station agent. PHOENIX—James Moyle and Earl Lawlus, captains. SAN FRANCISCO—Bill Levings, industrial relations services director.

FIFTEEN YEARS

FRESNO—Joseph Donaghy, station agent. ONTARIO—James McWilliams, chief station agent. SAN DIEGO—Joseph Barros, station agent. RENO—Harold Donham, station agent. PHOENIX—Leslie Duncan, station agent. Gabriel DiPippa, supply supervisor. Jack Barton, component overhaul supervisor. MONTEREY—George Southard, station agent. SAN FRANCISCO—James Quinn, station agent. Marilyn Petersen, flight attendant.

TEN YEARS

SPOKANE—Alfred Anderson, station agent. SANTA MARIA—Frederick McCray, station agent. LOS ANGELES—Richard Jensen, chief station agent. Charles Peterson, reservation agent. SAN JOSE—Rhodell Willard, chief station agent. MONTEREY—JoAnne Skinner, ticket agent. Eugene—Ronald Spellmeyer, station agent. SANTA ANA—Lawrence Reum, station agent. YUMA—Charles Falco, station agent. SALT LAKE CITY—Gary Neilson, station agent. SEATTLE—Gerald Ramey and Donald Leatham, captains. Rex Boyd, Dale Turner and William Roll, first officers. Betty McFadden, flight attendant. Loretta Smith, reservation agent. LAS VEGAS—Sylvia Yontz, flight attendant. Neil Onstot and Hans Prosch, captains. PHOENIX—William Lea, James Hudspeth, Harold Conklin and Emmett Roberts, first officers. Jackie Bingham and Vester Shultz, captains. Pamela Foutz, Judy Frasier and Karen Vercellino, flight attendants. Joseph Vietri, supply & inventory control manager. Marion Smith, ground serviceman. Technicians Clifford Jackson (accessory overhaul), Robert Maines (ground equipment), Virgil Paulsen (component overhaul) and John Shettler (hangar maintenance). William Morrissey, lead hangar technician. Odell Vogel, quality control technician. Larry Rice, product analyst. Lorence Bessette, avionics maintenance supervisor. John Brunton, ground flight instructor. Tom Meushaw, production control director. Robert Jewell, station agent. SAN FRANCISCO—Gregorio Tiburcio, station agent. Frank Penney, John Thomas and George Wigen, captains. John Manocchio, first officer. Jules Rossi, statistics supervisor. Ellenore Humphreys, intermediate accounting clerk. Richard Corbell, assistant dispatcher.

FIVE YEARS

PUERTO VALLARTA—Enrique Aguilar, porter. Madelyn Rodriguez, passenger service agent. GUADALAJARA—Rocio De Pena, passenger service agent. Alicia Duran de Velasquez, chief ticket agent. Carmen Martinez, ticket agent. Jesus Torres, porter. LOS ANGELES—Laurance Tuttle, ticket agent. MAZATLAN—Alfredo Diaz, porter. PHOENIX—James Cavis and Charles Carpenter, avionics technicians. Sherrell White, computer operator. Karla Hauprich, Kathy Ottewell, Chip Russo, Julia Schuster and Susan Wall, flight attendants. Jimmy Murphy, senior programmer. SEATTLE—Regina Austin, ground hostess. LAS VEGAS—Zonia Arauzo, Linda Golliday and Janice McKibben, flight attendants. SAN FRANCISCO—Jan Lindner, credit union acting manager.

FINANCIAL RESULTS

All data in thousands (add 000)

	March '76	March '75
Operating revenue—scheduled	16,080	13,994
—charter	138	N/A
Operating expense—scheduled	16,173	14,299
—charter	143	N/A
Operating earnings (loss)	(98)	(305)
Non-operating earnings (loss)	(237)	(273)
Provision for taxes	(172)	—
Net earnings (loss)	(163)	(578)
March year-to-date		
Operating revenue—scheduled	46,711	40,112
—charter	445	N/A
Operating expense—scheduled	46,035	40,946
—charter	403	N/A
Operating earnings (loss)	718	(834)
Non-operating earnings (loss)	(693)	(841)
Provision for taxes	13	—
Net earnings (loss)	12	(1,675)
Feb. '76		
Operating revenue—scheduled	15,350	12,655
—charter	202	N/A
Operating expense—scheduled	14,903	12,994
—charter	141	N/A
Operating earnings (loss)	508	(339)
Non-operating earnings (loss)	(230)	(261)
Provision for taxes	143	—
Net earnings (loss)	135	(600)
February year-to-date		
Operating revenue—scheduled	30,631	26,118
—charter	307	N/A
Operating expense—scheduled	29,864	26,647
—charter	259	N/A
Operating earnings (loss)	815	(529)
Non-operating earnings (loss)	(455)	(568)
Provision for taxes	185	—
Net earnings (loss)	175	(1,097)

WELCOME ABOARD

Michael Jankowski, Paul Kleiser, Glenn Linkey, Hugh Morris, Rockwell Clinton, George Hobbs, Michael Key, Charles Miller, Larry Zelfer, James Colwell, John Klein and Ian Schill, hangar maintenance technicians. Phoenix. Alfred Chester, reservation agent, San Francisco. George Hnatusko, crew scheduler, Seattle. Tina Hopkins and Walter Hodge, reservation agents, Phoenix. Jean Keating, intermediate revenue accounting clerk, San Francisco. Carol Freeman, reservation agent, Los Angeles. Kitty Sutton, senior clerk, industrial relations, San Francisco. Carol Raymond, clerk typist, regulatory affairs, San Francisco. Kris-

TRANSITION

tine Myers, senior programmer, Phoenix. Gail Belkiewicz, reservation agent, Seattle. Dale Wilson, secretary, purchasing, San Francisco. Carol Gagnard, inflight customer service instructor, San Francisco. Joanne Christensen and Anne Mayberry, tellers, credit union, Phoenix. Gary Jobe, software programmer, Phoenix.

PROMOTIONS

John Seabrook and Richard Fiala to ground flight instructors, Phoenix. Roddy Cox to telephone sales assistant manager, Phoenix. Jan Lindner to credit union acting manager, San Francisco. Doris Medici to executive secretary, maintenance & engineering, Phoenix. Ann Bistodeau to reservation agent, San Francisco. Kathleen Franz to chief reservation agent, Phoenix. Lynn Kirby to statistical typist, general accounting, San Francisco. Eric Stover to hangar technician, Phoenix. Louis Smith to lead technician, Las Vegas. Gertrude Sandoval to chief reservation agent, San Francisco. Richard Merrell to senior crew scheduler, Las Vegas. Ronald Forster to hangar technician, Phoenix. Carmon Rowen to lead avionics technician, Phoenix. Shirley Rhead to lead cleaner, Phoenix. John Flitton to aircraft service planning manager, Phoenix.

RETIREMENTS

Norman MacGowan, captain, San Francisco, after 27 years with the company. He joined us (Southwest) as a first officer in 1949 and was promoted in 1959 (Pacific). Walter Tubb, captain, Phoenix, 26½ years. He started as a co-pilot with Frontier Airlines in 1947 in Salt Lake City and joined us (Bonanza) in 1949 as a captain in Las Vegas. Robert Heame, accessory overhaul technician, Phoenix, 21 years. He joined the company (Bonanza) in 1955 as a mechanic in Las Vegas and transferred to Phoenix in 1966. Louise Lander, statistical typist, general accounting, San Francisco, 18½ years. She joined us (Southwest/Pacific) in San Francisco in 1957. Eldon Lewnau, aircraft service planning manager, Phoenix, 10 years. He joined the company (West Coast) in Seattle as production control and planning superintendent. Previously he worked for Northwest Airlines for almost 19 years.

IN MEMORIAM

Warren R. Edwards, 34, first officer, Phoenix; of congestive heart failure, March 6. He joined the company (West Coast) in Seattle in 1968. He had been on medical leave since November. He is survived by his wife and two children.

Aaron C. Kidd, 48, lead cleaner, Phoenix; of cardiac arrest, March 17. He joined the company (Bonanza) in 1964 and had retired effective March 14 due to disability. He is survived by his wife and two children.

Bernard E. Scavarda, father of Susan Matson, flight attendant, Phoenix; March 1.

Mildred Butler, mother of Frank Butler, captain, San Francisco; March 4.

Louis Brunner, father of William Brunner, avionics technician, Seattle; March 9.

Herbert L. Monroe, father of Tom Monroe, maintenance controller, Phoenix; March 14.

Iida Reynolds, mother of Myron Reynolds, regional flight manager, Phoenix; March 31.

Ruby Schloe, mother of Glen Schloe, chief station agent, Boise; April 1.

Maria Estebanez, mother of Christina Estebanez, data processing control clerk, San Francisco; April 2.

February and March performance

First quarter boardings, RPMs up more than 8%

Our boardings jumped 2.1 per cent and revenue passenger miles (RPMs) gained 1.3 per cent last month, compared with March 1975.

Passenger boardings totaled 322,300, up from 315,600 a year ago. RPMs rose to 136,656,200 from 134,925,300.

The systemwide on-time performance increased

to 89.2 per cent from 84.5.

Available seat miles advanced 4.1 per cent to 253,551,800 from 243,573,800.

Density (the average number of passengers flying per mile) dipped 1.5 per cent to 47.4 passengers from 48.1, while the average load factor (the percentage of seats filled) declined to 53.9 per cent from 55.4.

Cargo ton miles increased 7.6 per cent to 729,100 from 677,900, while the tons of cargo boarded gained 5.2 per cent to 1,769 from 1,682.

First quarter performance

Boardings and revenue passenger miles made sharp advances during the first three months of 1976, compared with the same quarter a year ago.

Boardings were up 8.1 per cent to 950,800 from 879,700, while RPMs climbed 8.9 per cent to 403,830,200 from 370,961,500.

On-time performance increased to 81.8 per cent from 79.2.

Density gained 4.6 per cent to 48.2 passengers from 46.1, while the average load factor rose to 54.9 per cent from 52.7.

Available seat miles advanced 4.6 per cent to 735,374,900 from 703,282,600.

Cargo ton miles increased 2.1 per cent to 2,073,700 from 2,031,500, while the tons of cargo boarded dipped less than 1 per cent to 5,002 from 5,027.

February results

February revenue passenger miles jumped 14.7 per cent and boardings increased nearly 13 per cent, compared with February 1975.

RPMs totaled 130,633,400, compared with 113,887,600 a year ago. Boardings were 310,100, versus 274,800.

Density advanced 8.7 per cent to 49.9 from 45.9, while the average load factor rose to 57 from 52.5 per cent.

Available seat miles climbed 5.6 per cent to 229,220,900 from 217,005,100.

Cargo ton miles gained 2.2 per cent to 664,000 from 649,700 miles, while the tons of cargo boarded rose less than 1 per cent to 1,602 from 1,599.

During the first two months of 1976, revenue passenger miles increased 13.2 per cent and boardings climbed 11.4 per cent, compared with the same period a year ago.

RPMs rose to 267,174,000 from 236,036,200, while passenger boardings increased to 628,600 from 564,100.

The systemwide load factor increased to 55.5 per cent from 51.3, while passenger density gained 8.2 per cent to 48.7 from 45.

Available seat miles rose 4.8 per cent to 481,823,100 from 459,708,800.

Cargo ton miles dipped less than 1 per cent to 1,344,500 from 1,353,600. The tons of cargo boarded declined 3.3 per cent to 3,233 from 3,345.

TRAFFIC SCOREBOARD

	March '76	March '75	% Change
Passengers	322,256	315,612	+2.1
Revenue pass. miles	136.7 mil.	134.9 mil.	+1.3
Available seat miles	253.6 mil.	243.6 mil.	+4.1
Load factor	53.9%	55.4%	
Passenger density	47.4	48.1	-1.5
Average trip miles	424.1	427.5	-0.8
Charter departures	31	N/A	
seats sold	2,875	N/A	
miles flown	27,338	N/A	
Cargo ton miles	729,128	677,881	+7.6
Cargo tons boarded	1,769	1,682	+5.2
On-time	89.2%	84.5%	
March year-to-date			
Passengers	950,821	879,709	+8.1
Revenue pass. miles	403.8 mil.	371.0 mil.	+8.9
Available seat miles	735.4 mil.	703.3 mil.	+4.6
Load factor	54.9%	52.7%	
Passenger density	48.2	46.1	+4.6
Average trip miles	424.7	421.7	+0.7
Charter departures	97	N/A	
seats sold	9,175	N/A	
miles flown	84,992	N/A	
Cargo ton miles	2,073 mil.	2,033 mil.	+2.1
Cargo tons boarded	5,002	5,027	-0.5
On-time	81.8%	79.2%	
Feb. '76			
Passengers	310,100	274,791	+12.8
Revenue pass. miles	130.6 mil.	113.9 mil.	+14.7
Available seat miles	229.2 mil.	217.0 mil.	+5.6
Load factor	57.0%	52.5%	
Passenger density	49.9	45.9	+8.7
Average trip miles	421.3	414.5	+1.6
Charter departures	40	N/A	
seats sold	3,800	N/A	
miles flown	39,821	N/A	
Cargo ton miles	664,015	649,660	+2.2
Cargo tons boarded	1,602	1,599	+0.2
On-time	77.2%	77.7%	
February year-to-date			
Passengers	628,565	564,097	+11.4
Revenue pass. miles	267.2 mil.	236.0 mil.	+13.2
Available seat miles	481.8 mil.	459.7 mil.	+4.8
Load factor	55.5%	51.3%	
Passenger density	48.7	45.0	+8.2
Average trip miles	425.1	418.4	+1.6
Charter departures	66	N/A	
seats sold	6,300	N/A	
miles flown	57,654	N/A	
Cargo ton miles	1,344 mil.	1,353 mil.	-0.7
Cargo tons boarded	3,233	3,345	-3.3
On-time	77.9%	76.3%	

Ghana 7th country to receive aviation aid



Our Sundance yellow DC-9 in Ghana bears the Ghana Airways logo in red. Our mark (in blue) remains on the tail. This photo was taken in Ireland during a stop on the ferry trip.

Last month, the southwestern Africa nation of Ghana became the seventh country in the last six years to tap Hughes Airwest's expertise under our Aviation Assistance Program.

The contract was signed with Afrika Continental Airways, Ltd., which supplies aircraft and crews to government-owned Ghana Airways, Ltd., that country's only major airline.

The final agreement, signed March 7 in Phoenix, calls for lease of one DC-9-30 through May 23. Included are six pilots and five maintenance technicians to fly and maintain the aircraft in its service between nine capital cities in southwest Africa.

Ghana Airways needed the DC-9-30 while it awaits delivery of a DC-9-50. Our aircraft was delivered to Accra, Ghana—by our pilots and technicians—on March 11 and was ready for service the following day.

Negotiations are under way between Hughes Airwest and Afrika Continental to extend the lease beyond the current contract. The new agreement might include additional operational, technical and management assistance, more extensive than any of our current overseas programs, according to Robert K. Jorgensen, overseas operations staff vice president.

"They are very impressed with what we have done for them so far," he said. "They are taking a hard look at what else our assistance program has to

offer and we are preparing proposals."

General manager Irving T. Tague said: "We are very pleased that Afrika Continental considers our operational know-how to be the precise ingredient it needs to strengthen Ghana's air transportation system."

Tague added that several more contracts with nations throughout the world might be signed in the near future. Officials of the company have visited about 25 countries in recent months, selling the company's services.

In addition to its support services—the loan of equipment and manpower—the major focus of the program is on manpower development.

Services fall into seven general categories:

- Management assistance
- Technical assistance
- Equipment
- Economic planning
- Tourism development
- Manpower development
- Architectural and engineering services, in cooperation with ArchiSystems, a Summa Corporation division.

Manpower development includes complete systems and training programs in flight and ground operations, maintenance, engineering, marketing, sales, finance, accounting, planning and airport and technical facilities.

"In other words, Hughes Airwest can now offer a complete package on *How To Run An Airline*," Jorgensen said.

Our 12 in Ghana

The 12 members of our team in Ghana (the year they joined the company in parentheses) are:

Flight crew

- Capt. Jack Furrer, 47, San Francisco ('48). Coordinating pilot and flying as a captain in Ghana. (He was general manager of our project in Liberia in 1974.)

- Capt. Vern Dicken, 52, Phoenix ('51).
- Capt. Lowell McDonald, 48, Phoenix ('55).
- Capt. Dick Lieberman, 43, San Francisco ('59). Piloting as a first officer in Ghana.
- Capt. Jack Oates, 42, San Francisco ('65). First officer in Ghana.
- Capt. Ray O'Neal, 42, San Francisco ('65). First officer in Ghana.

Maintenance staff

- Bob Evans, 42, maintenance controller, Phoenix ('65). He is maintenance manager of our Ghana program. (He was a maintenance supervisor in our Liberia project last year.)

- John Cano, 34, lead avionics technician, Phoenix ('68). (He was a maintenance representative in our Mauritania project in 1974.)

- Peter Joos, 36, lead avionics technician, Phoenix ('66).

- Adolphus ("Lee") Lee, 43, hangar maintenance technician, Phoenix ('68).

- John Shettler, 39, hangar maintenance technician, Phoenix ('66).

Inflight services instructor

- Joan Smith (see story on page 6).

1600 miles along West Africa coast

Eight capitals served by DC-9

Our DC-9-30 is being utilized in scheduled service by Ghana Airways almost 40 block hours a week.

From Accra, Ghana, it is serving eight other capital cities along the west Africa coast: to the east, Lome, Togo; Cotonou, Dahomey (near the capital of Porto Novo); and Lagos, Nigeria; to the west, Abidjan, Ivory Coast; Roberts Field near Monrovia, Liberia; Freetown, Sierra Leone; Banjul, Gambia; and Dakar, Senegal.

Its weekly schedule, with intermediate stops on most trips, includes five Accra-Lagos round trips, one between Accra and Freetown and three Accra-Dakar round trips, overnights in Dakar. (The entire coastal route—from Lagos to Dakar—is about 1600 miles.)

Ghana Airways has only one other flight serving any of these cities—a Monday Accra-Monrovia-Freetown round trip with a Vickers Standard VC-10.

Its fleet of three DC-8s, three F-28s, one VC-10, one Fokker Fellowship Jet and one Hawker Siddeley 748 also serves three cities on the interior of Ghana—Kumasi, Sunyani and Tamale—and two cities in Europe—London and Rome.

Following is the schedule of our DC-9 and its crews in detail. (Segment flight times range from 20 minutes from Lagos to Cotonou up to an hour and 15 minutes between Abidjan and Monrovia.)

Monday

7:30 a.m.: Accra-Lome-Lagos (9 a.m.)
 9:45 a.m.: Lagos-Cotonou-Lome-Accra (noon)
 12:30 p.m.: Accra-Abidjan-Monrovia (Roberts Field)-Freetown-Banjul-Dakar (6:45 p.m.-overnight)

Tuesday

9:00 a.m.: Dakar-Banjul-Freetown-Monrovia-Abidjan-Accra (3:15 p.m.)
 4:00 p.m.: Accra-Lagos-Accra (6:15 p.m.)

Wednesday

11:30 a.m.: Accra-Dakar (5:45 p.m.-overnight) with the same stops as Monday 12:30 p.m. trip.

Thursday

9:00 a.m.: Dakar-Accra (3:15 p.m.) with the same stops as Tuesday trip.

Friday

9:30 a.m.: Accra-Abidjan-Monrovia-Freetown (1:15 p.m.)
 2:15 p.m.: Freetown-Monrovia-Abidjan-Accra (6:00 p.m.)
 7:00 p.m.: Accra-Lagos-Accra (9:15 p.m.)

Saturday

7:00 a.m.: Accra-Lagos-Accra (9:20 p.m.)
 11:30 a.m.: Accra-Dakar (5:45 p.m.-overnight) with the same stops as Monday 12:30 p.m. trip.

Sunday

9:00 a.m.: Dakar-Accra (3:15 p.m.) with the same stops as Tuesday trip.
 4:00 p.m.: Accra-Lagos-Accra (6:15 p.m.)



Map at right shows routes flown by our DC-9 and crews between nine West Africa cities. Dotted lines show other Ghana Airways routes within Ghana and to Europe.

Seats wrapped for delivery



Aircraft prepared quickly for the 10,800-mile ferry

On March 8 at 7:20 a.m., our DC-9-30 number N914 departed Phoenix enroute to Accra, Ghana, 7,000 miles away.

It was the first time that our crews—six pilots and four mechanics—had conducted an equipment positioning flight (EPF) to one of our overseas aviation assistance programs.

The departure was actually one week and 20 minutes beyond the originally scheduled departure on March 1. The crews had gathered in Phoenix on that earlier date—having heard of and applied for the Africa opportunity only six days before. However, the departure had to be delayed one week

(Continued on next page)



Seven countries in six years

Map at left pinpoints the seven nations, present and past, to receive aviation assistance from Hughes Airwest. The ferry trip route from Phoenix to Accra is also indicated.

Employees also aid airlines in Burma, Nepal, Mauritania and Saudi Arabia

We are the only regional airline—and one of only a few airlines at all—involved in aviation assistance agreements with air carriers in other countries.

Sixty-eight Hughes Airwest employees are currently assigned to our five overseas operations.

Those projects, in addition to Ghana, are:

Burma

This was our first overseas assistance program, started in mid-1970. We were the first U.S. company in that country. Two Hughes Airwest employees—a manager and supervisor—provide maintenance support services and training for Burma Airways' Boeing 727-100, which was originally purchased from us. Spare parts and engine and Phoenix training for Burma personnel is also part of the agreement. The current contract runs until July 1977, with provisions for continuation on a year-to-year basis.

Nepal

This project, with Royal Nepal Airlines, was started in mid-1972. It is similar to our program in near-by Burma and also in support of a Boeing 727-100. We are the only U.S. company in this country. There are four Hughes Airwest maintenance employees assigned to the project—a manager and three supervisors. The current agreement runs through December 1977.

Mauritania

This project has grown from four Hughes Airwest employees in 1974, when we signed the contract and sold Air Mauritania two F-27s. We now have 11 employees there—a maintenance supervisor, a supply and inventory controller and nine maintenance representatives. The contract includes maintenance service and flight and ground training there and in Phoenix. The current contract expires in January 1979.

Saudi Arabia

This is the largest of our overseas projects. It includes lease of three F-27s, with spare parts and support equipment, and assignment of 39 employees to Saudi Arabian Airlines (Saudia). They are F-27 operations general manager and administrative assistant, maintenance supervisor and assistant, supply clerk, check pilot, regional flight manager, eight pilots, 10 co-pilots and 14 maintenance representatives. The project started with 33 employees in March of last year. The three aircraft are flown between 14 cities in Saudi Arabia and to Jordan and Lebanon. The contract expires in six months, with options for its continuance.

Two other Aviation Assistance contracts have been completed:

Japan

We leased two DC-9s and provided flight and maintenance training to TOA Domestic Airlines in 1973-74 in preparation for McDonnell Douglas' delivery of a new DC-9 to that carrier. Training of 118 pilots and 29 mechanics was conducted by a varying number of our employees in the U.S. and Japan.

Liberia

Completion of this project coincided with the start-up of the Ghana program. For Liberia National Airlines (Air Liberia) we provided complete operating and marketing services for the first time, in addition to selling them two F-27s and providing pilot and mechanic training in Phoenix. Four employees assumed management positions at Air Liberia—vice presidents of operations and maintenance, a general manager and a maintenance representative. The assistance began in January 1974.

Jorgensen named staff for our overseas operations

As a result of the growth of our Aviation Assgram, Robert K. Jorgensen has been named operations staff vice president, a new position. He is at our international headquarters in San Mateo.

He had been maintenance and engineering president, headquartered in Phoenix, since 1971. In that position, he also oversaw several of our overseas projects including our first project in Burma starting in 1970 and now devoting full time to all our overseas operations.

He and Richard J. Queenan, overseas market president, report directly to Irving T. Tague, general manager.

William G. Drechsler has been promoted to director of staff vice president of maintenance and engineering, assuming Jorgensen's responsibilities in Phoenix (see story on page 1.)

Our crew into West Africa --subject of curiosity

Our crew's first full day in Ghana was a busy one.

Press and dignitary flights were scheduled to introduce the DC-9 to Ghana. In the afternoon, proving flights were scheduled to eight airports that the aircraft would serve to fly into. (A proving flight to Dakar, Senegal since it was the last stop on the route.)

Arriving at the airport early in the morning, the crew witnessed Ghana Airways employees cleaning the aircraft, polishing the front to back. A stream of airline employees toured the aircraft, leaving the aircraft, and stood around outside admiring the aircraft.

It wasn't the size of the DC-9 that drew the attention. Ghana Airways also flies DC-9 aircraft. But none of its aircraft have around features of a DC-9, such as an APU, which limit the need for ground support equipment. And of course, the colors, inside and out, were the subject of curiosity.

Mid-morning, about 50 members of the press, some with still and TV camera, were on hand for a one-hour flight. Our flight attendant made inflight announcements. Ghana Airways attendants she had trained in DC-9 service served hors d'oeuvres and Ghana Airways took the press up over a large hydroelectric dam on the Volta River which promises to provide Ghana a leading aluminum producer.

Jorgensen and Furrer chatted with the press, explaining features of the aircraft. Shortly after returning to Accra, the group arrived and were taken, for a half-hour, to a group included members of the board of Afrika Continental, the manager of Ghana Airways (an army colonel and transportation ministers).

(The group was led by Dr. Carl L.



Our crew guides N914 ferry flight along No. Atlantic route to Accra

(Continued from previous page)

while contract negotiations continued between the company and Afrika Continental, the lessee.

The flight from Phoenix to Accra, via the North Atlantic, involved enroute stops in St. Louis, Boston, Labrador, Greenland, Iceland, Ireland, Spain, the Canary Islands and Senegal.

Although the aircraft was carrying only 12 passengers (an outside-contracted navigator and a public relations representative, in addition to the crew), N914 weighed out at 95,000 of its 108,000 maximum gross weight. The cargo bin and every cabin seat (except 12 for the "passengers") were filled with spare rotatable and expendable parts and tools needed for the project, and with crew members' personal belongings for their two-month, 16-day assignment. The aircraft also contained a spare engine and a spare auxiliary power unit (APU).

The equipment in the cabin had been evenly distributed and lashed in the seats according to a specially-designed weight-and-balance index which took into account that a first class section had been installed, invalidating the index used for our DC-9 scheduled service. The index had been hurriedly

developed by the engineering department in Phoenix for use by flight operations technical services in San Mateo to calculate the ferry flight plan and weights and balances for the aircraft's service between nine cities in Africa.

To protect the seats from the equipment, each one was wrapped with blue plastic. Phoenix maintenance had had only one week to prepare the aircraft for delivery, from the time that the contract looked likely to the original departure date.

According to Robert K. Jorgensen, international operations staff vice president, the speed with which the company could have an aircraft available and ready was one of the factors in Afrika Continental's decision to sign with us. "I don't think any other company in the world could have met such a need as quickly," he said.

(N914 is one of four jets we purchased from Hawaiian Airlines. It was the first to be delivered and underwent 45 days of modification starting last September. It had been in scheduled service since Oct. 26.)

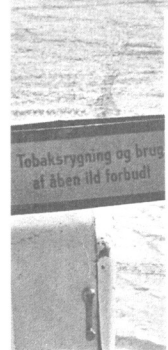
Work that had to be completed in the week to

modify the aircraft for Ghana Airways included:

- Installation of a high-frequency rad during the ferry flight and for operations
- Configuration change to include 12 seats (four across) separated by a divided coach seats.

• Painting of the "Ghana Airways" logo over the "Hughes Airwest" logo on both sides of the fuselage. (Our blue mark remains on the fuselage.)

Our ferry flight flew about 10,800 miles via the North Atlantic route. The total elapsed time from Phoenix departure to Accra arrival (including time changes) was about 78 hours (four



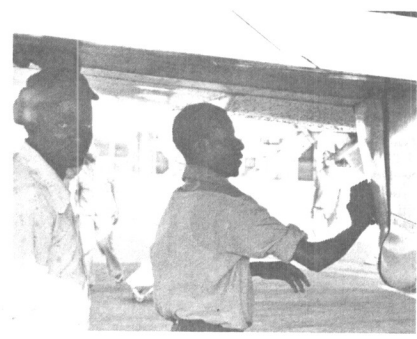
Capt. Furrer (with open brief case) sometimes had to conduct business on the ramp. This photo was taken in Greenland. Sign on fuel pump says—in so many words—"No smoking", in Danish.



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Our DC-9 parked behind a Ghana Airways F-28 after returning from its first scheduled flight, to Lagos.



Ghana Airways employee polish DC-9

On board the press flight
 Afrika Continental board members arrive (Dr. Langford, far left)

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chairman of Afrika Continental. He was educated in and practiced internal medicine in Southern California before moving to Ghana. He is 35 years old and a native of Trinidad. Most of the on-going negotiations between Hughes Langwest and Afrika Continental have been with Dr. Langford, one of the founders of the expanding company.)

While we were on this flight, it had been decided in Accra that the proving flights—which would have taken the rest of the day—would not be flown in order to save fuel. The requirement could be satisfied by having a Ghana Airways pilot fly with each of our crews on their first scheduled service flights into each city.

This decision gave the crew their first real rest (and time to unpack) at the hotel, a couple of miles from the airport. It began to rain heavily.

The crew was staying at one of the better hotels in Africa. Arrangements were being made to move them to housing which would accommodate their visiting families.

The hotel rooms are simple—a wooden bed frame attached to the wall, a mattress, bench, coffee table and dresser. Porters—young men—are assigned to individual hallways and can be summoned with a button in the room. Room service is available. There is no TV or radio. Each room has a balcony. Room and hall floors are tile; no carpets except a throw-rug next to the bed. (The crew discovered that if they didn't leave their keys at the front desk, their rooms wouldn't be cleaned. Maids do not have pass keys. They clean the rooms with a fist-full of keys picked up at the desk.)

Off the dining room, a large veranda overlooks lush, green hills and valleys. A club in the basement features live music and dancing. Beer appears to be a favored drink in Ghana, perhaps to fight off effects of the heat.

Afrika Continental has a car and driver at the



crew's disposal. An aide to Dr. Langford assists the crews as needed. Furrer, our coordinating pilot there, and Bob Evans, our maintenance manager, conduct business from hotel room "offices."

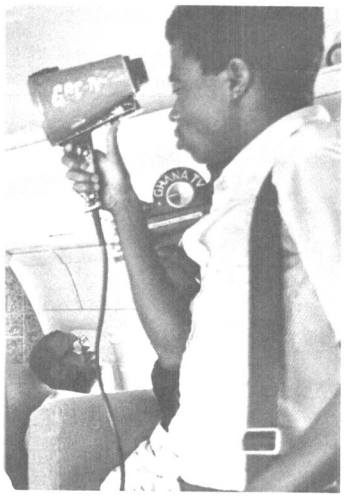
Saturday was the first day of scheduled service for the DC-9. The first trip was a non-stop round trip to Lagos, Nigeria, leaving Accra at 7 a.m. and scheduled to return to Accra at 9:20.

As the aircraft taxied to a stop in Lagos, the crew saw an employee approaching the plane with stairs. A stunned expression crossed his face as he saw stairs emerging from the aircraft.

On this day, the flight was more than two hours late returning to Accra. (Such a delay in Lagos is not unusual and not the fault of Ghana Airways.) A Ghana Airways DC-8 non-stop flight to London was delayed in Accra, waiting for connecting passengers from the Lagos flight.

As soon as the DC-9 was reloaded, it departed on a four-stop flight to Dakar, its westernmost point. There it and the crew overnight, returning the next day. On these overnight trips flown to Dakar three times a week, one of our technicians accompanies the flight to provide maintenance assistance as needed there.

(For our DC-9 and crews' schedule, see story on page 3.)



Ghana TV filming in flight

nights) including an 18-hour weather delay enroute. About 24 of that was spent in the air. (For comparison: the briefest commercial Phoenix-Accra flight takes 20 hours and 20 minutes to complete, including a New York layover/connection and two enroute stops from there to Accra; total airborne time is about 15 hours.)

Phoenix - St. Louis (2 hrs., 50 min.)

About 20 employees and crew family members watched the takeoff from the maintenance building. (Some of the crew and their spouses had participated in the company tennis tournament there over the weekend.) Jorgenson was



Waiting in Greenland—a low pressure system off Iceland delayed the ferry flight for 18 hours.

there to see the flight off. He and Bob Evans, Phoenix maintenance controller who would be maintenance manager in Ghana, would be in Accra when we arrived. Joan Smith, San Francisco flight attendant, had been in Ghana since March 1, training their flight attendants in DC-9 procedures.

A sense of shock that the flight was finally on its way was noticeable on the first leg.

The crew spent most of this time getting better acquainted and settled in what would be "home" for most of the next four days. Plastic was removed from the 12 seats left vacant for the "passengers," spread throughout the back half of the aircraft.

Twenty-four box lunches (corned beef and peanut butter sandwiches, chefs salads and chicken) were pretty much gone in the first hour.

There was a four-hour delay in St. Louis while Jack Furrer, coordinating captain for the ferry and the Ghana project, completed final financial arrangements for the ferry at a downtown bank. These arrangements—between St. Louis and the company's bank in San Francisco—could not be completed in Phoenix prior to departure since the banks were closed over the weekend when the final delivery agreement was signed.

In the terminal, comments of confused passers-by were frequent: "What's a Ghana Airways airplane doing here?" one businessman asked himself. "Looks just like Hughes Airwest. I don't get that!" One of our crew explained it to him, which seemed to only confuse the businessman more.

Ozark Airlines, which refueled our aircraft, and other airline employees were equally inquisitive and seemed almost awed by the explanation. (Continued on next page)

Technician Lee snoozes, snuggled between equipment in the seats.





Hughes Airwest's employees in Ghana posed for this group shot after their first full day in that country. Shown from left in the front row are: Jack Shettler, John Cano, Adolphus Lee, Bob Evans and Pete Joos, all of the maintenance staff, and (in back) captains Dick Lieberman, Jack Oates, Jack Furrer, Lowell McDonald, Vern Dicken and Ray O'Neal.



International operations staff vice president Robert K. Jorgensen and San Francisco flight attendant Joan Smith pinned Ghana Airways stewardesses and pursers with DC-9s following their training in procedures by Smith.

THE FERRY TRIP . . .

(Continued from previous page)

St. Louis - Boston (2 hrs., 36 min.)

The crew began to relax—read, talk in small groups and write their first letters home to be mailed from Boston. One pilot explained what he was doing there: "My wife is adventuresome. She heard about it (the Ghana project) while I was on an overnighter. She called me and asked 'Can we go?'. I checked it out and here I am."

Some of the men are being visited by their wives and children (and in one case, girl friend) while they are in Ghana. (Federal law prohibits family members from accompanying the crew on an EPF.)

Another pilot told how he had asked his youngsters' teachers how they felt about his keeping his children out of school for a visit to Ghana. The response was "they'll learn more than we could teach them in the classroom."

A maintenance technician, who is not bringing his family over, explained: "They know I've got to do my own thing . . . I always have. It is this what I wanted to do, they were behind me." He did have to promise his daughter that he would be back in time for her high school graduation before he got her "approval."

In Boston, more box lunches (roast beef and tuna sandwiches) were boarded.

Boston - Goose Bay/Happy Valley, Labrador (1 hr., 49 min.)

More reading, talking, letter writing. Some unpacked their cameras. One admitted that his hadn't seen the light of day in years; he dug it out for this trip. Another studied the instructions for the new Nikon he had purchased for this trip—his first 35mm camera.

One of the mechanics inventoried all of the equipment lashed down in the seats, writing their seat numbers on the boxes or bundles. Each piece must be placed back in its same "reserved" seat or seats for the return ferry in May, in order to meet the weight-and-balance requirements worked out in Phoenix.

It was dark, cold (15°F) and windy (35 knots) when we arrived in Goose Bay. Canadian customs had to be cleared, fees paid, and arrangements made for fuel the next morning.

It was a several-mile, seven-foot snow-bank-lined ride in three taxis to the U.S. military base where the crew spent the night in barracks (the "Goose Hill")—\$2 per person, two to a room. Most of the crew turned in. The mess halls were closed, so there was no chance for a hot meal to put on top of the day's 36 box lunches.

(One of the technicians stayed behind on the aircraft overnight, since there was no security patrol at the small airport. The APU was left running to assure an easy start in the morning—and heat for the "sentry.")

One of the rules of the trip was that, no matter how "off schedule" the flight might get, the crew always had eight hours for sleep and was allowed time for a hot breakfast in the morning.

Over breakfast, another pilot explained why he had signed up for the Ghana project: although the financial incentive is negligible, he and his wife figured "why not?". The kids are grown and on their own. It'll be a change, a good experience.

Airport fees there were among the lowest of the trip—\$45 to land, \$20 for customs clearance and \$9 to park overnight. Fueling caused a delay in departure—the fueler had "never heard of Hughes Airwest, Howard Hughes or Ghana Airways"; he would not bill the company or take an international Shell credit card—cash only. He was paid (\$1319) in travelers checks.

Goose Bay - Sondre Stromfjord, Greenland (2 hrs., 38 min.)

Unbeknownst to the crew when departing Labrador, this was the only segment to be completed that day.

It was the first leg of the trip totally over water. (Three of the cabin seats carried an inflatable lifeboat.)

Approach to "Sondrestrom" was up a long, deep, barren fjord, ending at an ice pack. It was warmer than Labrador, with little snow on the ground. Some 800 people—including Danes, Eskimos and personnel attached to the U.S. military base there—live in drab hotel and apartment buildings and barracks on either side of the runway. The airport terminal, in the SAS Hotel, with a Danish smorgasbord-style restaurant, appeared to be the village gathering place, along with the military clubs across the strip.

The restaurant is where the crew spent most of this day. There was a low pressure system off Iceland—our next scheduled stop—that probably would have prevented landing. Our fuel capacity was not sufficient to be able to return to Greenland if we couldn't land in Iceland, and there was no alternate airport. Storms such as this had been known to last for weeks. Thoughts of having to return to the U.S. to try another route were discussed by some of the crew.

(The possibility of the ferry taking the shorter South Atlantic route, from South America to Africa, had been

discussed when the trip was being planned. However, this would have necessitated additional fuel tanks to cross the Atlantic. Since the aircraft was to begin service soon after arrival in Ghana, there would not be time to remove the tanks, and this route had to be discarded as a possibility.)

(Ferry of our shorter-range F-27s to overseas operations is with the additional tanks. They are flown by outside-contracted ferry pilots.)

Every two hours, Furrer, Jack Barrett (the navigator) and one or more of the crew climbed a small hill behind the hotel to check the latest report for Iceland at a 24-hour, Danish-run weather bureau. It became evident by late afternoon that the night would be spent there, not in Spain as scheduled.

Time went quickly, however, as the crew waited through the day in the restaurant, swapping flying stories and listening to Barrett's ferrying experiences along this route and throughout the world.

As he did at each stop, by phone or teletype, Furrer communicated with operations in San Mateo. On his call from Greenland, he quashed a story circulating in Phoenix and San Mateo that we had a woman along. Apparently someone watching the crew boarding in Phoenix had seen a flight attendant board to prepare the galley for the trip, but didn't notice when she deplaned. Furrer assured San Mateo, "No, there are no women on board." The story lifted the spirits of a weary crew.

Accommodations at the packed hotel consisted of bunk beds for two in a room (without toilet or bath) about the size of a large walk-in closet (\$10 per person). One technician remained on board the aircraft overnight again, APU running.

Early the next morning, Furrer called the three rooms to say that the weather had improved off Iceland. We could be on our way.

Fuel (71.8¢ a gallon) and airport fees in Greenland were among the highest of the trip, especially compared to our previous stop. The bill for landing, ground handling and parking was \$615. The highest fee at most airports, where it was charged, was for "handling" (\$325 at one stop), even though it was rarely needed and usually consisted of emptying the lunch box-filled trash cans.

Greenland - Keflavik, Iceland (1 hr., 59 min.)

Greenland's ice cap—up to 14,000 feet thick, filling the valleys between mountains—is quite a sight from the air.

One of the crew secluded himself in the front of the cabin to write a script on his experiences thus far and read it into a portable tape recorder. At the next stop, he would mail the cassette to his son, who he had placed in a private school in Arizona before he left.

As the plane approached Keflavik, he described the remnants of the storm that had delayed us. The plane was encountering what was to be the roughest portion of the trip, bouncing around for several minutes. He observed fishing boats in huge waves off the coast.

The wind was strong in Iceland, making it a challenge to walk from the plane to the terminal. In the duty-free shop, the men stocked up on items they had heard were scarce or expensive in Ghana. The plane was refueled, a flight plan filed and, oh yes, more box lunches were boarded.

Iceland - Shannon, Ireland (2 hrs., 8 min.)

During this segment, the cabin was fairly quiet. The crew read, wrote letters and slept.

The lush green of Ireland was an extreme contrast to the winter brown encountered since Phoenix.

The large, modern terminal was deserted there, too, except for about 20 clerks in the department store-sized duty-free shop, several customs agents and our crew. In about an hour, refueling was completed.

Ireland - Seville, Spain (2 hrs., 42 min.)

It was dark by the time we reached Spain. Immediately after landing, parked far from the terminal, a uniformed

Technician Cano interprets in Spain



Joan Smith returns to Ghana to train their flight attendants

They like Joanie in Ghana.

Joan Smith, a Hughes Airwest San Francisco flight attendant, was sent there by the company to train 12 Ghana Airways flight attendants in DC-9 procedures. (She was an inflight instructor for us in 1972-75. She joined company in 1970.)

She was to arrive in Ghana one week before the aircraft in order to complete classroom training. As it turned out, because the ferry flight was delayed in Phoenix one week, she had an extra week to spend with her students. The evening the aircraft arrived, she and her 12 students spent most of the night completing on-board training, since several of them have to work the special flights the next day.

On Saturday morning, Smith was on the flight to Lagos, observing her students attending passengers on their first scheduled DC-9 trip.

While she was gone, Dr. Carl Langford, Afrika Continental board chairman, asked Robert K. Jorgensen, our overseas operations staff vice president,

(Continued on back page)

superintendent boarded and said, "We would be pleased if you would not leave the airplane. "Eventually, we were allowed to.

One of our maintenance technicians, who spoke Spanish, acted as interpreter and explained our needs. The plane was refueled, necessary papers signed, airport fees paid (only \$56, cash), and we departed the city where we were to have spent the previous night.

Spain - Las Palmas, Canary Islands (2 hrs., 6 min.)

The journey began to wear a bit on the 12 passengers. The pilots had all flown full-day shifts by now. But anticipation grew as they realized that the next day they would be "home" in Accra.

Our Spanish interpreter came in handy again as arrangements were made at the deserted airport for hotel rooms in the resort town 10 miles away. The large hotel was a marked contrast to the accommodations of the first two nights—quaint, yet modern and comfortable, overlooking a busy, narrow main street downtown.

Seven of the group enjoyed escargot and lobster tails at a restaurant up the street, dubbing the gathering a "bachelor party" for a newly wed in the group. On the way back to the hotel, several of them enjoyed a bit of the nightlife, abundant up every narrow street.

Canary Islands - Dakar, Senegal (2 hrs., 12 min.)

In Dakar, it was obvious we were getting close to Accra. Two representatives of the Ghana embassy there toured the aircraft.

We waited over three hours for fuel. As we were waiting for takeoff, a Ghana Air Force F-27 passed us. Nationals walking on paths along the side of the runway, stopped to watch the bright yellow plane take off.

Dakar - Accra, Ghana (3 hrs., 3 min.)

This final segment was the longest of the ferry trip. Much of it was spent dodging coastal thunder storms.

It was Thursday, almost 8 p.m., in Accra (1 p.m. in Phoenix) when we arrived. It was dark, hot and almost unbearably humid, especially coming off the cool, air conditioned airplane.

Four familiar Hughes Airwest faces were there to greet us: Jorgensen, Evans, Joan Smith and Donn Anderson, administrative assistant for our operations in Saudi Arabia, who had been in Accra four days, waiting for our arrival so he could work out the final weight-and-balance station procedures for the DC-9's operations in Africa and train Ghana Airways personnel in them. (He was stations training supervisor for us before going to Saudi Arabia.)

About 60 people had gathered for the arrival of N914. About twice that number—Ghana Airways employees and curiosity seekers—had gathered the night before, when we were originally expected—but many did not return Thursday night because of the long distances they had to travel from throughout Accra.

About 15 young men helped unload the crew's personal belongings to take them through customs and transport them to the hotel about two miles from the airport.

Once the bags were in the rooms, the crew gathered in the comfortable hotel dining room for dinner and initial briefings with Jorgensen, Anderson and Evans.

It had been decided that since we were a day late in arriving, the day of rest that had been planned would have to be used for press, dignitary and proving flights.

After dinner, the maintenance crew had to return to the aircraft to help unload the maintenance parts and tools and prepare the aircraft for the next day. (See story on page 5.)

Conversation reflected the crew's relief—they were finally in Ghana. Among the lighter comments was one from Furrer who, upon being served dinner, asked: "Where's the box?"

resumes—21 graduated in first class in a year

Twenty-one students completed flight attendant training on April 23.

The class was the first to be graduated in the past year.

Instruction was by Tom Bennis, flight attendant training manager, and Carol Gagnard, inflight customer service instructor who joined the company in February.

Another class will begin May 26.

Flight attendant training will get underway this summer for our three Boeing Advanced 727-200s, the first of which is scheduled for delivery in August.

Two jets completed 32½ hours of flying time during a 69-hour period between the early morning hours of Feb. 25 and 28.

The schedule—with the one aircraft change—included 16 stops in 11 states. They traveled to three of those states twice.

The two jets flew more than 13,400 miles. Revenue from the entire operation exceeded \$48,000, according to Tom Bailey, charter sales manager.

All but one of the charters—operated from Iowa to Las Vegas—was for military transport.

The longest nonstop segment was 4¼ hours—an equipment positioning flight (EPF)—from Las Vegas to Philadelphia, a distance of 2,178 miles.

On that day, the charter aircraft was in the air almost 17 hours out of 21½ since leaving Illinois that morning.

A total of 624 seats were occupied during the "live" (passenger-carrying) segments of the three-day schedule.

the number of passengers carried on that segment.

Wednesday

EPF Las Vegas-San Antonio, Texas (2:20)
75 San Antonio-Champagne, Ill. (2:08)
EPF Champagne-Glenview, Ill. (1:40)

Thursday

91 Glenview-Salina, Kansas (1:36)
49 Salina-El Toro Marine Base, Calif. (3:01)
EPF El Toro-Las Vegas (1:47)
100 Las Vegas-Dubuque, Iowa (3:18)
(fuel stop in Salina)

40 Dubuque-Waterloo, Iowa (1:25)
100 Waterloo-Las Vegas (3:25)
(fuel stop in Omaha, Nebr.)
EPF (Equipment change) Las Vegas-Philadelphia (4:18)

Friday

92 Philadelphia-Fort Polk, La. (2:25)
77 Fort Polk-Seattle (5:56)
(fuel stop in Phoenix)
EPF Seattle-Los Angeles (2:20)

'Instant' ticket refunds on credit card charges —avoids 60-day delay

About half our customers requesting ticket refunds are receiving them much quicker as a result of a new processing policy started six months ago.

Under the new procedure, when a refund is requested on a ticket charged to one of five popular credit cards, and the exact value is known, the agent sends a check directly to the credit card company the same day the request is made.

Previously, agents had to prepare credit card refund requests for accounting in San Mateo to handle. Processing during peak periods sometimes took up to 60 days before it was reflected on the customer's statement.

Now, sometimes the refund is reflected before the card holder is charged for the ticket, according to Alan Erickson, refunds, agency and government audit manager.

The new procedure, started last October, helps the company better meet requirements of the Fair Credit Billing Act.

Five credit card companies are cooperating with us under the new system—American Express, Diner's Club, Carte Blanche, Master Charge and BankAmericard.

According to Erickson, the company issues refunds on about 7,000 tickets a month, valued at about \$350,000.

Most refunds are for unused tickets or for changes in destination where the reissue is for a lesser value than the original ticket.

The on-the-spot credit card refund system has reduced telephone and mail inquiries and refund department paperwork, and made ticket auditing easier.

Erickson said the new procedure was a life saver during this past December and January, when an extraordinary number of refund requests were received as a result of strikes against other airlines and bad weather.



ON THE TRAIL—Ronald Reagan, candidate for the Republican presidential nomination, is chartering a Hughes Airwest jet during his campaign. He is pictured here with three flight attendants during a recent trip that took him, his staff and national TV newsmen to cities throughout the West. The flight attendants are (from left) Judy Smith, Pam Foutz and Ruth Jordan, all of Phoenix. Reagan currently is chartering one of our jets on a nationwide campaign swing. Tom Bailey, charter sales manager, is accompanying the group.

Las Vegas boardings drop more than 27% during 16-day hotel strike—traffic up other days

Boardings in Las Vegas were down 27.3 percent during 16 days in March due to the strike against 16 hotels on the "strip."

The daily decrease March 14-29 ranged from less than 1 per cent to as high as 43.6, compared to comparable days in 1975.

Las Vegas boardings were up on all other days in March. As a result, boardings at Las Vegas—historically our busiest station—decreased only 8.2 per cent for the entire month.

On pre-strike days in March, daily boarding increases ranged from 6.4 to 45.8 per cent.

During the early days of the strike, reservation offices telephoned about

10,000 passengers holding Las Vegas reservations. If passengers were booked at a closed hotel, agents offered to re-accommodate them elsewhere or change their destination.

There were very few cancellations as a result of these calls, according to Steve Templeton, San Francisco telephone sales manager. "They were very pleased we were trying to help them," he said.

Templeton attributed the drop in traffic to fewer last-minute passengers—those who don't make reservations three or more days in advance.

Our Las Vegas city ticket office in the Sahara Hotel was closed during the strike due to lack of business.

PEOPLE POTPOURRI

General manager **Irving T. Tague** has been elected to the board of directors of the Air Transport Association by the organization's member airlines.

Jonni Talman, Los Angeles city ticket office agent, was chosen Miss Friendship 1976, representing Glendale area chapters, at Beta Sigma Phi's Valentine Ball. She previously had been chosen Valentine Princess of her chapter of the organization, an international social, cultural and philanthropic sorority.

Carol Burgess, Nevada sales account executive, has been elected president of the Las Vegas Airlines Sales Managers Association.

Lee Pitt, executive assistant to the general manager, was one of three judges in the Aviation/Space Writers Association international competition for the top magazine story for 1975. He also has served as a judge for the past seven years for the California Newspaper Publishers Association newspaper competition.

Las Vegas employes have issued a five-man team bowling challenge to other stations. Any station interested should contact **Herb Chesney**, station manager, or **John Russell**, chief ticket agent.

Geoff Brown, employment manager, has been elected secretary of the West Coast Airlines Personnel Association.

Sparhawk promoted to public affairs director for Northwest, Alberta

Juan A. Sparhawk, 31, has been promoted to Northwest regional public affairs director, based in Seattle.

He had been public affairs special assistant there for the past year.

His responsibilities include providing liaison between the company and local and state government agencies in Washington, Oregon, Idaho, Montana and Alberta.

He is also the Air Transport Association coordinator for Idaho and the assistant coordinator for that organization in Oregon and Washington.

Sparhawk joined the company (Pacific) in 1967 as a passenger service agent in San Francisco and Reno. He later served as a crew scheduler and assistant dispatcher in San Francisco. He was Mexico sales manager in the U.S. before joining public affairs.

Sparhawk was born in Colima, Mexico. He studied aeronautics at Diablo Valley College in Concord, Calif., and Spanish at the University of Guadalajara.

Management information technical support group headed by Fogle in Phoenix

Donald E. Fogle, 33, has been promoted to technical support manager in management information services, Phoenix.

He had been a software communications specialist since joining the company in February 1975.

His new duties include overseeing the technical support group of M.I.S., which is responsible for computer system programming development and equipment and software selection and support.

Fogle, a native of Phoenix, studied engineering at Phoenix Junior College and was graduated with a bachelor of science degree in engineering by Arizona State University in Tempe in 1965.

He worked for Texas Instruments in Dallas and General Electric and Intercomputer Corp in Phoenix before joining Hughes Airwest.

Fogle is a member of the Institute of Electrical and Electronic Engineers.



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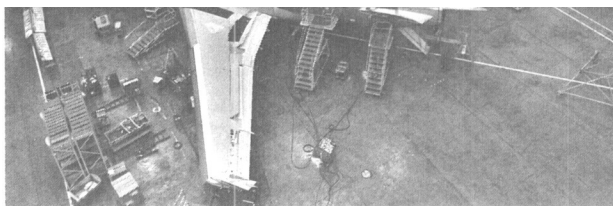
February and March.

In February, passengers purchased 83,518 cocktail miniatures. The record amount was attributed partly to an increase in Las Vegas traffic.

However, in March—when Las Vegas boardings were down due to the 16-day hotel strike—our passengers broke the February record by buying 84,937 miniatures. (Systemwide, we flew about 12,000 more passengers in March than in February.)

Combining the two months, that comes to a little more than one-quarter of a miniature per passenger.

Our first Boeing Advanced 727-200 is shown in final assembly at the factory near Seattle. In May, it will go into the paint hangar. A public rollout ceremony will be held on May 27, followed by its maiden flight. The aircraft is scheduled for delivery in August following testing.



JOAN SMITH IN GHANA . . .

(Continued from page 6)

if Smith could stay another 90 days to up-grade all of their in-flight cabin services.

Jorgensen had a worried look on his face as he approached Smith upon her return. "She had already been there 18 days," Jorgensen said, "more than twice what was originally planned. I really didn't know how she'd react to three more months."

Smith was delighted. "It's going to be an unbelievable challenge," she said.

As it turned out, she did return to the U.S. a few days later—"I had to pay some bills and take care of some other personal matters if I was going to be gone that long," she said. On April 3, she flew back to Ghana to begin her 90-day stint.

"Dr. Langford was so impressed with attitude and service improvements by the flight attendants that she trained that he wanted all of them to benefit from it," Jorgensen said.

According to Smith, she will be covering all facets of inflight training for all of their aircraft—from public address announcements to grooming—with the 60 Ghana Airways flight attendants. (English is the official and most commonly spoken language in Ghana.)

Smith became known as "the gal in the bright yellow uniform" during her first stay there. Some of her students invited her to their homes for dinner and gave her gifts when the class was finished.

She had many adjectives to describe her students, and the people of Ghana in general: "friendly, flexible, open", and "eager, attentive and excited about Ghana Airways and the DC-9."

She will be working with Ghana Airways' inflight instructor and will receive DC-8 procedure instruction so that she can fly on the airline's London trips as an inflight supervisor. (Their London flights include a two-day crew layover.)

All Ghana Airways flights are staffed by a male purser and two stewardesses. The purser is always in charge, regardless of seniority, Smith said.

Being a flight attendant is a very prestigious career in Ghana, and most of them come from wealthy, upper class families, according to Smith.

Travel benefits for flight attendants—who work more than 100 hours a month—include three passes a year on Ghana Airways only, and these trips can be taken only during certain seasons.

TRAVEL BARGAINS

Marriott Hotels, Inns and Resorts offer a 50% space-available discount on rooms. Exceptions: resorts and international hotels during their peak seasons, when the discount is 25%. Contact the individual hotel directly. (For international hotels, call toll-free 800-228-9290.) For discount details and hotel directory, write: Marriott Travel Industry Sales, 5161 River Road, Washington, D.C. 20016.

KLM Airlines is offering "Surprising **Amsterdam Holidays**", starting at \$38 per person for the minimum two-night stay. Special \$150 fare, in conjunction with packages, available. Eligible: full-time employees and their spouses, parents and unmarried children (up to age 26), all of whom are eligible unaccompanied by employee. Through 10/15. For brochure, contact KLM office or write KLM Interline Dept., Attn. Helen Bakker, 609 Fifth Ave., New York 10017.

HEIR FARE

To Nancy and **Don Hargreaves**, station agent, Eureka: a boy, Ryan Arlin, 7 lbs. 12 oz.; March 11.
To Esperanza and **Enrique Aguilar**, porter, Puerto Valarta: a girl, Lisette Viridiana, 8 lbs. 4 oz.; April 4.

Revenue sources and production costs

We flew more passengers more miles last year than ever before, which was the primary reason for a 10.2 per cent increase in our pre-subsidy revenues.

However, our federal subsidy was down 27 per cent (reducing the total operating revenue increase to only 7.8 per cent), and our operating expenses were up 14.8 per cent. This contributed to a decline of more than 77 per cent in our operating and net profits.

Net profit in 1974 was a record \$7.9 million, influenced by the auto fuel shortage in the first half of the year that forced travelers to fly instead of drive.

In the second half of 1974, recessionary pressures on passengers resulted in smaller growth in traffic. Traffic declined when these pressures continued into the first half of 1975. This, combined with continuing inflationary pressures on our costs, led to a net loss of \$3.3 million in the first six months of 1975.

Starting with the third quarter, traffic growth resumed with the easing of economic uncertainties and we ended 1975 with a \$1.7 million profit.

In terms of expenses, the largest increases in 1975 occurred in our two major expense categories—fuel (up 21.9 per cent) and labor and related employe costs (up 12.8 per cent).

Below is a report on the sources of our revenue and the cost of producing it in 1975, compared with 1974.

Some of the items are elaborated on or defined in the notes at the end of the report.

(All data in thousands; add 000.)

	1975	1974	% Change
Operating revenues			
1. Passengers (scheduled)	\$153,372	\$139,468	+ 10.0
2. Cargo	6,184	5,477	+ 12.9
3. Charter	547	202	+170.8
4. Overseas operations	5,570	4,030	+ 38.2
5. Incidental	4,578	5,375	- 14.8
Subtotal (without subsidy)	170,251	154,552	+ 10.2
6. Public service (subsidy)	7,357	10,144	- 27.5
TOTAL OPERATING REVENUE	\$177,608	\$164,696	+ 7.8
Operating expenses			
7. Salaries and related employe costs	\$ 80,772	\$ 71,590	+ 12.8
8. Aircraft fuel	22,785	18,690	+ 21.9
9. Aircraft repair/materials	12,901	11,764	+ 9.7
10. Aircraft leases	5,689	6,098	- 6.7
11. Travel agency commissions	5,156	4,193	+ 23.0
12. Rentals	4,970	4,466	+ 11.3
13. Landing fees	4,360	3,826	+ 14.0
14. Passenger food & supplies	3,607	2,960	+ 21.9
15. Communications	2,895	2,801	+ 3.4
16. Advertising	2,261	2,202	+ 2.7
17. Insurance	2,103	2,150	- 2.2
18. Property taxes	1,859	1,764	+ 5.4
19. Security (passenger)	1,812	1,774	+ 2.1
20. Overseas operations	5,012	2,366	+111.8
21. Incidental	3,104	2,606	+ 19.1
22. Other cash	10,479	9,103	+ 15.1
Subtotal	169,765	148,353	+ 14.4
23. Depreciation & amortization	5,079	3,974	+ 27.8
TOTAL OPERATING EXPENSE	\$174,844	\$152,327	+ 14.8
TOTAL OPERATING PROFIT	\$ 2,764	\$ 12,369	- 77.7

	1975	1974	% Change
Nonoperating revenues and expenses			
24. Interest expense	(3,642)	(4,805)	- 24.2
25. Interest income	618	1,473	- 58.0
26. Aircraft sales gain	2,828	2,066	+ 36.9
27. Other (net)	(140)	(1,058)	- 86.8
NONOPERATING REVENUE (EXPENSE)	(336)	(2,324)	- 85.5
Net profit before taxes	2,428	10,045	- 75.8
Income taxes	725	2,100	- 65.5
NET PROFIT	\$ 1,703	\$ 7,945	- 78.6

Notes

Operating revenues is the total amount of revenue earned from the sale of our services.

- Passengers**—This is the total fare amount for the passengers we flew, including security charges but not including federal tax.
- Charter**—Increase reflects resumption of charter sales program in September 1975.
- Incidental**—Includes such items as beverage sales, reduced rate sales and non-revenue service charges, lease of aircraft to other airlines, and outside contract maintenance completed in Phoenix, etc.
- Public service**—Reduction in subsidy is due to fewer subsidy-eligible cities served in 1975 and to a new formula used by the Civil Aeronautics Board to calculate subsidy-need payments.

Operating expenses is the money spent to provide and administer the services we sell.

- Salaries and related employe costs**—Includes the following for 1975: Salaries, \$65.2 million (up 12.3% from 1974); Benefits (company contributions for employe group insurance and pensions) and taxes (company contributions for employe workmens compensation and social security), \$11.9 million (up 17.1%); and Personal expense reimbursements, \$3.6 million (up 9.7%). Although the total amount on line #7 was up 12.8%, the average number of personnel employed (calculated monthly) was up only 3.4%.
- Rentals**—Includes office and station space and miscellaneous equipment rentals (other than aircraft leasing).
- Communications**—Major items include telephones and reservations and flight control systems.
- Incidental**—Includes expenses for the type of items mentioned under "Incidental" revenues (line #5), such as costs of our beverage service, and other miscellaneous incidental expenses.
- Other cash**—Major items include outside service fees, utilities, ground property maintenance, and office and station supplies, etc.
- Depreciation and amortization** is the writing off of portions of the purchase cost of property and equipment throughout their useful life.

Nonoperating revenues and expenses is money received or spent which is not directly related to the sale of our services. (Parenthesis indicate expense.)

- Interest expense**—Interest on loans and other debts.
- Interest income**—Includes interest received from short-term investments and from notes involved in the sale of aircraft.
- Aircraft sales gain**—1975 figure includes net gain from the sale of two DC-9-10s to Texas International.
- Other**—Major items include gain (net of expenses) from sale of ground property and equipment, amortization of new route application costs, amortization of Hughes Air Corp. organizational expenses (ended March 1975), and charitable contributions.

The above report and notes were prepared for this publication with the assistance of Rob Dirks, budgets and cost accounting manager.