

## Company's biggest aircraft buy

# Fleet getting 10 more DC-9-30s

The company has taken one of the biggest steps of its five-year fleet expansion plan by buying 10 DC-9-30 series jets, three on option, from Eastern Airlines.

The purchase, costing \$41 million, is the largest single aircraft procurement in our history. As part of the five-year strategy, the company also plans to sell some of its smaller DC-9s and add to its 727-200 fleet.

The Eastern purchase, approved by our board of directors, "is an integral part of our plan to handle increased traffic and anticipated new routes," Frank W. Gay, chairman of the board's executive committee, said.

Russell V. Stephenson, general manager, said that our five past profitable years have helped implement a progressive fleet expansion plan.

Parts and in-house work to standardize the incoming DC-9s to our specifications at our maintenance

base in Phoenix will cost an additional \$3 million.

The first jet was delivered May 17. Four more will be delivered by the end of this year and the balance by October 1978. A decision on the three options will be made by Sept. 30, 1977.

An agreement also was signed with Eastern for first-refusal rights on 15 more DC-9-30 series jets.

A search for a DC-9-30 source began after Terry Ashton, planning vice president, had set up a five-year growth plan for the company.

The Eastern purchase concludes that several-year search by Edwin N. Altman, operations vice president. Negotiations with Eastern were started in June 1976 and completed last month.

The DC-9 purchase follows delivery of three new Boeing 727-200 trijets since last August.

The company has exercised its option on two more

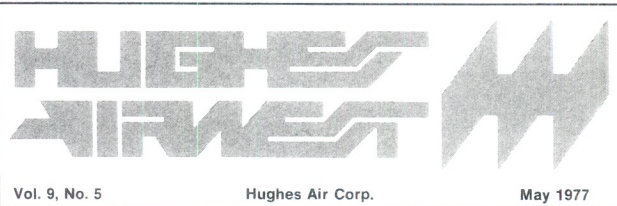
727s. The fourth will be delivered in November. We plan to lease it out on a short-term contract.

The fifth 727 will be delivered in March 1978. The company does not plan to lease it out. It will be used in scheduled service.

We have options on two more 727-200s—the sixth and seventh. A decision on these will be made by Aug. 31.

The company is planning to sell two DC-9-15 jets to the Bank of Mexico. The first will be delivered in July and the second in September 1977. We plan to sell four more of the smaller jets to other buyers by September 1978.

The overall net gain in the DC-9 fleet will be four aircraft by 1978. Since the -30 has 103 seats (versus 75 on the -10 and -15) our seat capacity will be increased even more by the larger aircraft.



## Major gateway proposed —Oakland service to 10 cities

We have asked the Civil Aeronautics Board to approve a massive route expansion proposal for Oakland, providing new air service to 10 cities and establishing it as a major Bay Area gateway.

The request was made in response to Oakland's desire for improved service at Oakland International Airport.

If approved, we would offer the first single-plane service to Minneapolis/St. Paul, St. Louis, Reno, Houston and Albuquerque, and competitive service to Salt Lake City, Kansas City, Dallas/Ft. Worth, Chicago and Denver.

Richard A. Fitzgerald, regulatory affairs staff vice president, said the company "wholeheartedly supports" Oakland's bid for improved air transportation.

"The present neglect of Oakland's unique service needs cannot be allowed to continue," he said. "We plan to develop Oakland as a major Bay Area air transportation gateway."

We have served Oakland since 1946. Our most recent service expansions were inauguration of nonstops to Las Vegas last October and to Phoenix in January. These flights are attracting an increasingly large number of East Bay passengers.

In the application, the company also expressed its intention to file another request with the CAB within 90 days asking that mandatory intermediate stop restrictions on routes linking Oakland with Portland and with Seattle be removed.

## Fast thinking by employees saves student pilot's life in fiery Orange County crash

Quick action by four employees is credited with saving the life of a student pilot who was trapped in a 1942 Stinson aircraft after crashing at Orange County Airport.

Roberto Valdez and George Smith, lead technicians, and Ray Artolachipe and Don Zeller, technicians, were working on a DC-9 at 2 a.m., May 3, when they heard a crash about 300 yards away on the runway.

Artolachipe grabbed a fire extinguisher and the four headed for the crash in a company station wagon.

Valdez checked for fuel leakage while Artolachipe extinguished the blazing fire. Valdez then opened the door on the upside-down aircraft and was joined by Smith and Zeller in pulling the 22-year-old semiconscious pilot, Ronnie Stevens, to safety.

Meanwhile, Al Pitts, assistant district maintenance manager, was summoning the fire department. The flames were out when the firemen arrived.

Stevens was hospitalized and later reported in good condition.

The Hughes Airwest employees, whose lives were endangered by the possibility of explosion, were uninjured.

Stevens reportedly flipped the aircraft over when he bungled an at-

## Start of interchange service in Denver

# Shana's startling shenanigans

Shana Jarrett's long and busy week-end tells the story of our start of interchange service to Denver with Frontier Airlines.

Children ran to her with open arms while others gaped in fear. Teenagers smirked, "What is it?", and others giggled with delight.

Shana amused city officials and jested with an internationally-known movie star.

To top it off, the San Francisco telephone sales agent got a new title.

"Shana the Banana."

Wearing an odd-shaped banana costume, Shana led our official delegation through a host of events in Denver on April 22.

Her day started at the airport where she greeted Russell V. Stephenson, general manager, and Kip Wharton, sales and service vice president, on their arrival.

Minutes later, in another part of the airport, she startled passengers as she welcomed movie and television actress Barbara Eden of "I Dream of Jeannie" fame to Denver as Hollywood/Burbank's representative. Accompanying Eden was Jill Persyn, public relations representative.

Next stop was Frontier's headquarters where the delegation was greeted by Glen L. Ryland, executive vice president. Shana joined Eden in amusing and chatting with agents at a telephone sales office reception.

The group then was whisked to city hall to meet with Denver Mayor Bill McNichols. Eden presented him with the key to the city of Burbank and Stephenson gave him a gift from Hughes Airwest.

Then, back to Frontier's headquarters and maintenance base where Eden delighted aircraft technicians and office workers.

That evening, Shana was joined by



'Shana the Banana' Jarrett and actress Barbara Eden  
... delightful Denver duo

Disney characters—Donald Duck, Mickey Mouse and others—at a special reception saluting the interchange. Attending were 500 representatives from the state, city, chamber of commerce and travel industry. Eden was there to extend an invitation to the movie capital.

San Francisco flight attendants Kathy Dollarhide, Marian Money maker and

Renata Pagliaro assisted as hostesses for the event.

Also representing the company were: Terry Ashton, planning vice president; staff vice presidents Dick Fitzgerald, regulatory affairs, and Lee Pitt, public relations; senior directors Rick Gostyla, market development, Bill Maloney, sales, and Mike Murphy, public affairs;

(Continued inside)

## We win top regional award in ATA competition

This publication won the top regional airline award in a recent international competition.

Hughes Airwest was judged the "Best Regional Airline Publication" in the annual contest of the Air Transport Association's Airline Editors Forum.

It is the highest award the publication has won in its history. In past years, it has received top category honors, such

Judging for the best of 1976 was by a group of Canadian publishers not affiliated with the airline industry.

The award was accepted on behalf of the company and public relations department by Ralph Henn, editor, at the Forum's 22nd annual meeting in Minneapolis last month. It was attended by about 40 U.S. and overseas airline employe



**FLIGHT ATTENDANT** managers and assistant managers underwent foodmanship training May 3-4 in San Francisco. Shown are the assistant managers (from left): Linda Dillard and Marilyn Schneider, Phoenix; Nelda Williams, Seattle; Helen Robinson, John Matthews and Polly Jannarone, Las Vegas; and Mitch Pratt, Phoenix. (Not pictured: Marian Szekely, San Francisco.) Jannarone and Pratt recently returned to the company to assume assistant manager positions. Jannarone was a Seattle-based West Coast flight attendant in 1963-67. Pratt was a Phoenix-based Bonanza flight attendant in 1967-69. Robinson was recently promoted to assistant manager; she's been a flight attendant with us since 1975. The foodmanship training included sessions on meal service marketing strategies, menu planning, budgeting and meal equipment.

## SERVICE ANNIVERSARIES

### THIRTY YEARS

SEATTLE—**Max Christman**, captain, SAN FRANCISCO—**Foster Ford**, ground service-man, **John Whittemore**, dispatcher.

### TWENTY-FIVE YEARS

LAS VEGAS—**Paul Beach**, captain, SEATTLE—**Glenn Weldy**, captain.

### TWENTY YEARS

PHOENIX—**Joanne Jordan**, flight attendant, **John Burnum**, avionics technician, **Wilburn Raithehl**, captain, SEATTLE—**Romaine Collins**, captain, BOISE—**Don Cooper**, district sales manager, SPOKANE—**Eldon Booher**, chief station agent.

### FIFTEEN YEARS

FRESNO—**Mernie Pierce**, station agent, YAKIMA—**John Cullen**, station agent, SALT LAKE CITY—**Jodie Hoyt**, station agent, SEATTLE—**Margaret Coleman**, telephone sales agent, **Robert McDonald**, station agent, **Delbert Butler**, captain, SAN FRANCISCO—**Bill Gerrard**, regional marketing manager, **Alice Heidman** and **Evelyn Ackley**, flight attendants, PHOENIX—**Sylvia Lekky** and **Sandra Lindvig**, flight attendants, **Robert Hall**, captain, LAS VEGAS—**Teri Dalton**, flight attendant.

### TEN YEARS

PHOENIX—**Gene Neavitt**, senior rotatable control analyst, **Herbert Lineberger**, hangar maintenance technician, **Doris Medici**, executive secretary, maintenance & engineering administration, **Susan Huffaker**, secretary, inventory control, **Karen Grissom** and **Ruth Satterfield**, flight attendants, **James Reibman**, captain, **David Long**, M.D., medical services director, **Lynne Manning**, assistant station manager, LAS VEGAS—**Jack Schneider**, maintenance technician, **Ester Sterling**, flight attendant, SEATTLE—**Kristin Neff**, flight attendant, **Robert McCoy**, first officer, SALT LAKE CITY—**Michael Elzinga** and **Wayne Spencer**, station agents, MONTEREY—**David McCord**, station agent, ORANGE COUNTY—**William Finch**, station agent, LOS ANGELES—**Marilyn Wright**, **Wilma Posvar** and **Laverne Martin**, telephone sales agents, SAN FRANCISCO—**Susan VanBrunt**, telephone sales agent, **George Scotch**, controller, **Stan Jones**, passenger interline accounting manager.

### FIVE YEARS

KALISPELL—**John Overbagh**, station agent, LA PAZ—**Marina Cruz**, passenger service agent, NEW YORK CITY—**Judy Mortillo**, sales representative, SAN FRANCISCO—**Pete Conley**, general accounting director, **Curt Haag**, fleet planning & economic analysis director, PHOENIX—**Richard Fiala**, ground flight instructor, **Lester Layton**, production control analyst, **Paul Burnham**, computer operations supervisor, **Wes Nakata**, programmer/analyst.

## HEIR FARE

To Dennis and **Leticia Wischmeier**, San Francisco flight attendant; a boy, Dennis Anthony, 6 lbs. 3 oz.; March 11.

To Lewis and **Francine Moyer**, Phoenix reservations agent; twins—a son, Andrew Jerome, 4 lbs. 4 oz.; and a daughter, Adrienne Victoria, 5 lbs. 5½ oz.; April 10.

To the **Warmuths**, Anne, San Francisco ticket agent, and **Wayne**, Portland station agent; a boy, Ivan George, 9 lbs. 5 oz.; April 21.

### Big boost in available seat miles

## Passenger boardings climb 15 per cent; RPMs up 20 per cent

We boarded 15 per cent more passengers and flew them 20 per cent farther last month than in April 1976.

Boardings numbered 380,096, compared with 330,877 during the same month a year ago.

They flew a near-record 168,043,100 revenue passenger miles (RPMs), versus 140,408,300 last April.

Available seat miles (ASMs) were increased 24.3 per cent to 304,574,200 from 245,060,100.

The average length of a passenger journey was extended 4.2 per cent to 442.1 miles from 424.4.

Density (the average number of passengers flying per mile) rose 2.4 per cent to 51.5 passengers from 50.3,

while the systemwide load factor (the percentage of seats filled) dipped to 55.2 per cent from 57.3.

Cargo ton miles jumped 11.2 per cent to 838,044 from 753,668, while the tons of cargo boarded gained 5 per cent to 1,899 from 1,808.

In addition to scheduled service, we boarded 14,851 passengers on charter trips last month.

### Year-to-date

Passenger boardings during the first four months of 1977 increased 15.1 per cent to 1,474,779 from 1,281,698 during the same year-ago period.

RPMs rose 17.7 per cent to 640,315,500 miles from 544,238,500.

We increased our available seat

## TRANSITION

### WELCOME ABOARD

**Thomas Mascarenas** and **Thomas Pace**, overseas maintenance representatives, Saudi Arabia. **Joseph Buckley**, station agent, Los Angeles. **Michael Montrose**, crew scheduler, Las Vegas. **Eloise Shuemaker**, telephone sales agent, San Francisco. **Nesaraj Cumaravel**, junior accounting clerk, flight records, San Francisco. **Jenny Underwood**, software programmer, Phoenix. **JoAnn Dubbert**, clerk typist, purchasing, San Francisco. **Roger Bartels**, avionics technician, Las Vegas.

### PROMOTIONS

**Karolynn Johnson** to telephone sales instructor, Seattle. **Leroy Littlejohn** to tele-

phone sales instructor, San Francisco. **Jerold Gould** to senior programmer, Phoenix. **Bernice Buttacavole** and **Judi Allen** to telephone sales agents, San Francisco. **Steve Gabel** to chief crew scheduler, San Francisco. **Charles Fallon** and **Ralph Wilson** to chief station agents, Las Vegas. **Carol Raymond** to secretary, corporate security, San Francisco.

### RETIREMENTS

**Wilbur Bonds**, maintenance manager, Phoenix, after more than 30½ years with the company (see photo below).

**Charles Long**, captain, Seattle, after 26 years. He joined West Coast as a co-pilot in 1951.

About 75 friends of **Willie and Sally Bonds** gathered April 30 to pay tribute to him on his retirement after almost 31 years with the company. The group presented them with arrangements for a South Pacific vacation and a trip album. **Sally Bonds** is holding a watercolor painting done for them by **Charlie Hyer**, lead technician. **On Bonds'**



left is **Bill Drechsler**, maintenance and engineering staff vice president. **Bonds**, Phoenix maintenance manager, joined the company (Empire) in 1946 as a mechanic in Lewiston. He later was a lead mechanic, inspector, crew chief and foreman, working in Boise, Oakland and Seattle. He went to Phoenix as assistant district manager in 1968.

**James M. Stever**, father of **Jim Stever**, lead maintenance technician, Portland, April 19.

**Leon N. Everett**, father of **Lea Everett**, telephone sales agent, Los Angeles, April 19. **William B. McCall**, father of **Pam Page**, flight attendant, Seattle, April 29.

**Eula Chaney**, mother of **Curley Horton**, telephone sales agent, Los Angeles, May 1.

**Bob Miles**, son of **Bill Miles**, captain, Phoenix, May 2.

**Rosemary Wiles**, mother of **Joe Wiles**, telephone sales agent, Los Angeles, May 3. **J. A. Gilmore**, father of **Ron Gilmore**, assistant station manager, Seattle, May 7.

**Joe Pilgrim**, father of **Gary Pilgrim**, ticket agent, San Francisco, May 12.

## IN MEMORIAM

**Claude McCandless**, quality control technician, Phoenix; May 4. He joined the company (West Coast) as a mechanic in Seattle in 1959. He was 54.

**Tom Whitehill**, son of **Jack Whitehill**, station manager, Spokane, April 7.

**Mary V. Clayton**, mother of **Bob Clayton**, station manager, Yakima, **Jack L. Clayton**, chief station agent, Pasco, and **Jack E. Clayton**, station agent, Pasco, April 11.

**Mrs. Reyes**, mother of **Alex Reyes**, ticket agent, Tucson, April 18.

## TRAFFIC SCOREBOARD

## FINANCIAL RESULTS

	April '77*	April '76*	% Change
Operating revenue—scheduled	\$19,756	\$16,258	+ 21.5
—charter	576	230	+150.4
Operating expense—scheduled	18,797	15,881	+ 18.4
—charter	537	145	+270.3
Operating earnings	998	462	
Non-operating earnings (loss)	(455)	(236)	
Provision for taxes	33	116	
Net earnings	510	110	
<b>Year-to-date*</b>			
Operating revenue—scheduled	\$76,145	\$62,968	+ 20.9
—charter	2,467	675	+265.5
Operating expense—scheduled	72,849	61,916	+ 17.7
—charter	2,323	548	+323.9
Operating earnings	3,440	1,179	
Non-operating earnings (loss)	(1,686)	(928)	
Provision for taxes	107	129	
Net earnings	1,647	122	

\* All data in thousands (add 000).

	April '77	April '76	% Change
Passengers	380,096	330,877	+ 14.9
Revenue passenger miles	168.0 mil.	140.4 mil.	+ 19.7
Available seat miles	304.8 mil.	245.1 mil.	+ 24.3
Load factor	55.2%	57.3%	
Passenger density	51.5	50.3	+ 2.4
Average trip miles	442.1	424.4	+ 4.2
Charter passengers	14,851	4,634	+220.5
Charter miles flown	81,848	40,735	+100.9
Cargo ton miles	838,044	753,668	+ 11.2
Cargo tons boarded	1,899	1,808	+ 5.0
On-time performance	85.6%	88.9%	
<b>Year-to-date</b>			
Passengers	1,474,779	1,281,698	+ 15.1
Revenue passenger miles	640.3 mil.	544.2 mil.	+ 17.7
Available seat miles	1,185 bil.	980.4 mil.	+ 21.1
Load factor	54.0%	55.5%	
Passenger density	50.2	48.8	+ 2.9
Average trip miles	434.2	424.6	+ 2.3
Charter passengers	60,093	12,504	+380.6
Charter miles flown	417,996	125,727	+232.5
Cargo ton miles	3,150 mil.	2,827 mil.	+ 11.4
Cargo tons boarded	7,263	6,810	+ 6.7
On-time performance	81.9%	83.6%	

### APRIL 727 PERFORMANCE

	April	Year to date
Scheduled Service*		
Passenger Boardings	19,295	66,969
Load factor	60.9%	62.2%
Density	94.5	96.3
Average trip miles	961	966
*Canada-Las Vegas-Los Angeles		
<b>Charter Service</b>		
Passenger boardings	4,223	18,910
Charter miles flown	40,282	183,164
Average trip miles	1,184	1,133

### '76 savings bond drive

A systemwide U.S. Savings Bond campaign will be conducted June 20-July 29.

**Bill Levings**, personnel services director, is campaign chairman.

Payroll deductions are now used by 408 employees—almost 10 per cent of the work force—to purchase savings bonds. The campaign's goal is 25 per cent.

At city hall, Shana the Banana appears ready to lead a cheer for Denver's new service to Orange County and Burbank. Joining in are (from left) Russell V. Stephenson, general manager, Denver Mayor Bill McNichols, Barbara Eden and Glen L. Ryland, Frontier executive vice president. The mayor is holding a framed, polished specimen of California Calico Silver Ore given to him by Stephenson. Eden is exhibiting the key to Burbank she presented.



Shana the Banana and her Disney pals entertain young and old alike at Denver airport on the first day of service. They also delighted boarded passengers by parading aircraft aisles.



Shana Jarrett . . . peeled

(Continued from front)  
Jan Soderstrom, advertising and sales promotion director; John Carlson, executive assistant to the general manager; Bob Hayes, Southwest regional public affairs director; Tom Chandler, Orange County station manager; Jerry Griffith, Southern California regional marketing manager; Joe Cadenhead, Los Angeles district sales manager; Jim Weiss, Los Angeles telephone sales manager; and Jill Persyn, public relations representative, who directed Eden's activities.

On Sunday, Shana and her Disney friends were at the airport early to greet and send-off passengers on the first day of Burbank and Orange County interchange service.

Somewhere in the midst of all this, Shana was interviewed by a Denver

radio station, whose listeners must have had a hard time envisioning the unique costume.

She and Eileen Sheridan, a San Francisco telephone sales agent, designed and made the first costume in 1975.

After much use, a replacement was made for the Denver stint with the help of Cheryl Armstrong, also a San Francisco telephone sales agent.

"Shana the Banana" might be getting another name soon. Shana is involved with the *National Geographic*-sponsored Gorilla Foundation at Stanford University. The program studies the communication abilities of gorillas.

Shana plans to wear her weird banana outfit to the foundation to see if one of the gorillas, "Koko", communicates a name for it.

Maybe "YumYum"?

## to senior director; Haag named director

Three directors have been promoted to senior director. They are:

- Richard S. Gostyla, market development;
  - Michael M. Murphy, public affairs; and
  - Michael E. Wilson, revenue accounting.
- Promoted to director is
- C. Curt Haag, fleet planning and economic analysis.

### Gostyla

Rick Gostyla joined the company in 1970 as assistant to the general manager. He was named marketing planning director in 1971.

Previously, he was assistant to the planning vice president for Northeast Airlines, Boston. He also has worked for TWA and Swissair.

His responsibilities include our marketing strategy, especially for new routes. He reports to the planning vice president.

Gostyla, 31, received a B.S. degree in aeronautical engineering from the Massachusetts Institute of Technology and a master's in business administration at Harvard Business School.

He is a member of the Travel Research Association and the American Marketing Association.

### Murphy

Mike Murphy began with the company (Pacific) as a Los Angeles station agent in 1962. Later he was assistant station manager in Santa Barbara, station manager in San Diego and sales representative and district sales manager in Los Angeles. He joined public affairs as Northwest regional director in 1970 and was named director in 1974.

Murphy, 35, attended Long Beach State College, American University in Washington, D.C., and Stanford University.

He is secretary of the Governmental Research Council and chairman of its education committee.

Murphy is our liaison with state, county and municipal governments and with commuter carriers. He reports to the vice president-legal.

Jim Price, former regional planning manager, has joined the public affairs staff as commuter and public affairs manager, with primary responsibility for California cities.

### Wilson

Mike Wilson joined us (Bonanza) in 1965 as revenue accounting director. Previously, he had been revenue account-

(Continued on back page)



Gostyla



Murphy



Wilson



Haag

### Know your competitor . . .

# Northwest — a big money-maker

*Editor's note: This is the third in a series of articles about our competitors. The first two discussed our major competitors—Western and United. This and future articles deal with airlines with which we compete in fewer markets, although important.*

Northwest Orient Airlines is known for profits. In the decade 1965-75, they totaled \$456 million, or 9.3 per cent of its total income—the highest rate in the industry.

The airline's profitability is partly attributable to the efficiency of its fleet, mostly wide-bodied aircraft. They call themselves the "wide cabin airline." These are its big selling point, while other airlines concentrate more on service amenities from ticket counter check-in innovations to meals.

Hughes Airwest and Northwest have seven cities in common—Los Angeles, San Francisco, Portland, Seattle, Spokane, Great Falls and Edmonton. But we compete in only three markets—Seattle-Spokane, Seattle-Great Falls and Spokane-Great Falls.

Seattle-Spokane is by far the largest of the three markets. We carried 104,450 passengers between the two cities in 1976, representing revenue of more than \$3 million. This is thought to be about equal to what Northwest carried.

It hasn't been that way long. Before July 1975, Northwest had six flights in each direction and we had only three—and a proportionate share of the traffic. Today, each airline offers six flights, but Northwest has greater capacity with its larger aircraft, mostly 727-200s and a few wide-body flights. We will add a seventh roundtrip on July 1.

There are indications that we might now be capturing more than half of the traffic, according to Mike Conroy, Northwest regional marketing manager. During the first three months of 1977, we flew 7,900 more passengers between the two cities than during the same period last year—a 37 per cent increase and 8 per cent above our forecast.

This rate is faster than what we had forecast for total market growth, according to Conroy. Projection for our traffic in 1977 is for more than 122,000 passengers and \$4.1 million in revenue.

Several factors might be contributing to this growth:

- All our Spokane flights use Gate C-1 in Seattle, close to the main terminal and much more convenient for on-the-run commuters than taking the underground tram to reach Northwest's gates.
- Complimentary coffee and daily newspapers are available at our gates in both cities.
- Our 35 per cent weekend discount fare has contributed to market growth. Northwest instituted a similar fare.

Conroy reported that travel agents are recommending us to clients because of the Seattle gate convenience, greater reliability and superior quality of service.

A group of Seattle frequent flyers who took part in a special study a year ago agreed that freedom of movement afforded by larger aircraft was not important on relatively short commuter flights. Smaller aircraft—such as DC-9s—were equally acceptable.

What did influence their choice of airlines was on-time performance and service.

Northwest's overall image in the study was that it was a "large, efficient and profitable airline at the cost of warm, friendly service and reliable on-time performance." Words describing Hughes Airwest were "small, struggling, marginal and friendly."



Most important to the group was an airline's on-time performance. Our's in this market was better than Northwest's during all but two months of 1976, according to the Civil Aeronautics Board's on-time arrival statistics. Our average was 85 per cent.

Neither airline has a clear advantage in terms of timing of flights or fares between Seattle and Spokane. One participant in the Seattle study said, "The kind of reception and personal service you get is what's important to me."

In the other markets in which we compete—Great Falls-Spokane/Seattle—Northwest has by far the greater share of the traffic. It has more flights and fewer stops.

On our late night eastbound and early morning westbound flights, via Kalispell, we flew 3,375 passengers

between Seattle and Great Falls last year and 2,700 between Spokane and Great Falls.

Northwest's systemwide advertising budget is more than three times ours. But among the trunk airlines it spends the least amount of money on advertising (and the lowest percentage of its income), even though there are four trunks that are smaller in terms of revenue.

Our "Top Banana" advertising campaign begun almost a year ago has contributed to an improvement in consumer awareness. In April 1976, survey participants were asked to name airlines serving Sea-Tac. We were least mentioned. By last October, we had climbed from sixth place to fourth.

During the same period, Northwest dropped from third to fifth place.

Northwest Orient serves 45 airports. Twenty-five are across the northern U.S. The other 20 are in the Southeast, California, Canada, Alaska, Hawaii and seven cities in the Orient.

(In our eight western states, we serve all of the cities served by Northwest except for five cities in Montana. The two airlines exchanged more than \$6 million in interline ticketing last year.)

In 1976, Northwest carried 9.8 million passengers on 10.8 billion revenue passenger miles. It also flew 571.5 million cargo ton miles. (Along routes we share, Northwest easily beats us in cargo because of its larger aircraft.)

Its revenues totaled \$963.8 million and it had its 26th consecutive profit, \$51.7 million. Even though it was seventh in revenue among U.S. airlines, it was third in profit.

The company, headquartered in Minneapolis, has more than 11,000 employees.

It began as a mail carrier in 1926 and started passenger service a year later. It became transcontinental in 1945 and began service to the Orient in 1947.

About 70 per cent of its available seat miles are operated with its wide-bodied fleet, which is second in size only to United's among U.S. trunks. Its 113-aircraft fleet includes 22 DC-10-40s, 17 Boeing 747s, 3 747-Fs, 8 707-320s, 32 727-100s and 31 727-200s. Combined they have a seat capacity of almost 20,000.