

Credit Unions propose merger

Resolutions expressing their intent to merge have been approved by the boards of directors of the Phoenix-based Hughes Airwest Federal Credit Union and San Francisco-based Hughes Airwest Employees Federal Credit Union.

The resolutions will be submitted to the National Credit Union Administration (NCUA) bearing the signatures of the presidents and secretaries of each of the boards.

The agreements are the result of meetings between merger committees of the two credit unions which began last May. The committees now will meet to prepare merger plans which must be approved by the NCUA.

Members of the merger committees are, from the San Francisco-based credit union: John Malloy (chairman), regional stations manager; Capt. Harry Spear; and Bill Gerrard, Southern California regional marketing manager and president of the credit union board; and, from the Phoenix-based credit union, Capt. Jim Mara (chairman) and Capt. Frank Akers.

Combined, the two credit unions have almost 6,600 members and assets in excess of \$18 million.

The San Francisco-based credit union and its branch office in Seattle serves employees in Washington, Idaho, Montana, Oregon and Northern California. It was formed early in 1970 by the merger of Pacific and West Coast Airlines employee credit unions.

The Phoenix-based credit union and its branch office in Las Vegas serves employees in Arizona, Nevada, Utah and Southern California. It was chartered in 1952 by Bonanza Airlines employees.

Merger of the two credit unions has been discussed since 1970. However, the resolutions are the first significant step in that direction.

The actual merger will be determined jointly by the two boards of directors after the final merger plan has been approved by the boards and submitted to the NCUA for final approval. A target date for merger will be announced later.

John S. Meadows Washington, D.C. staff vice president

John S. Meadows, former State Department aviation official, has been appointed staff vice president of Washington, D.C. affairs.

He is responsible for the airline's interests in the capital, particularly in the areas of regulatory reform and international matters.

Meadows retired from government service in 1975 to become an aviation consultant in Washington for U.S. and overseas clients on various projects.

Before that, he served for 22 years in the State Department as director of the office of aviation and acting deputy assistant secretary with responsibility for coordinating and directing international aviation policy for the U.S.

During his years with the State Department, Meadows was chairman of the U.S. delegation on numerous bilateral aviation consultations involving such countries as Great Britain, France, Italy, the Soviet Union, Japan and Australia.

He twice served as vice chairman of the U.S. delegation to the International Civil Aviation Organization's triennial assembly, in Buenos Aires and Vienna.

Other State Department positions included transportation and aviation attaché at the American embassy in London, chief of the air transport relations branch and European regional communications officer.

Meadows was graduated by Tufts
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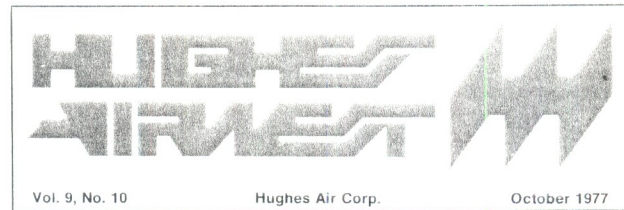


Meadows



Leaving our mark

The company mark is burned onto a stretched steerhide with a red-hot branding iron by Russell V. Stephenson, general manager, during ceremonies Oct. 12 dedicating Calgary's new \$127-million international airport. Standing next to him is Wendell Heidrich of Calgary who designed and moulded the special irons. The skin, which also bears brands of other airlines serving Calgary and marks symbolizing the city, province and country, will hang in the new airport terminal. We also hosted a civic dinner and had a special corporate display near our new \$200,000 jetway—the most advanced in Canada—during a week-long public open house. The corporate delegation included vice presidents Ed Altman, operations, and Kip Wharton, sales and service, and Calgaryans Bill Brooks, regional stations manager, and Dave Ferguson, sales manager, for Canada.



Vol. 9, No. 10

Hughes Air Corp.

October 1977

Eleven 727s by '80 announced in year's second fleet expansion

Major plans to nearly quadruple our 727-200 fleet in the next 38 months have been announced by Russell V. Stephenson, general manager.

The expansion calls for a total of 11 of the trijets by the end of 1980. We now have three.

The fourth will be delivered next month and leased out on a short-term contract. The fifth will be delivered by March 1978 and used in scheduled service.

The company has exercised its options on two more 727s to be received next year—in November and December—bringing the total to seven by the end of 1978.

In addition, two more 727-200s are on option for delivery in late 1979 and two more optioned for delivery in November and December 1980.

The plans were approved by the board of directors Sept. 22 at a meeting at international headquarters.

"Our growth rate has been good," said Stephenson. "We are preparing for increased demands from cities within our system and from new routes, whether they are attained through government procedures or as a result of upcoming regulatory reform."

The 727 order is the second major fleet expansion plan announced this year.

In May, we announced the purchase of 10 DC-9-30 jets for
(Continued on back)

Overhead enclosed storage compartments

Widebody look for DC-9-30s

A dramatic revamping of our DC-9-30 interiors, giving them a mini-widebodied appearance and adding to passenger convenience, will begin next March.

The program, costing \$1.5 million, calls for installation of enclosed overhead storage modules. These coupled with new interior fabrics matching those on our 727-200s will bring the DC-9s up to the general standards of our flagships.

"These interior improvements will substantially improve our impact in competitive markets," Russell V. Stephenson, general manager, said in announcing the project.

The modules can store "hard" items—small luggage, brief cases, cameras, packages—which now must go under seats or in often-crammed closets.

Each of the 36-inch-long compartments has a usable volume of 4.7 cubic feet—greater than compartments on many widebody aircraft. Loading capacity is 50 pounds.

In a recent Airline Passenger Association survey, members overwhelmingly said that carry-on baggage compartments was the most important inflight service an airline could offer on flights under two hours. Storage for items which now must go under seats also will give passengers normal legroom.

The new modules will be a relief to flight attendants who have been forced to find room for carry-on articles which could not be placed on the open overhead racks or under seats.

No major modifications to the aircraft are required for installation, which will be completed in about 12 months. All work will be at our maintenance base in Phoenix.

The modules are manufactured by HITCO, a subsidiary of Armco Steel Corp.

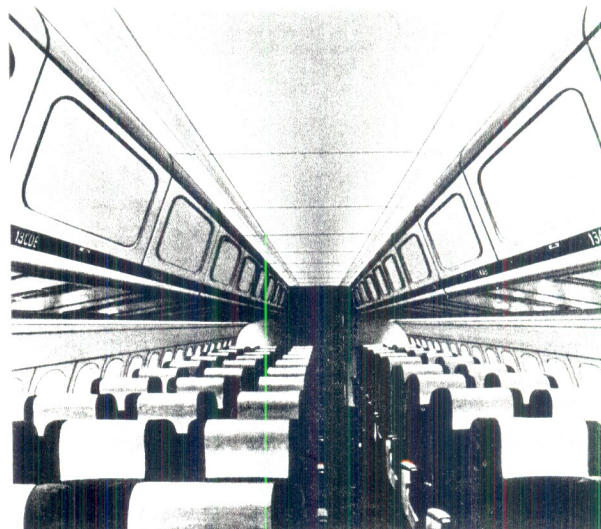
We began installing 727 trapezoidal design fabrics in DC-9-30s in July. This project is continuing as current supplies of other fabrics are used up and aircraft need complete changes.

October 30: Alberta-Phoenix Salt Lake City-Palm Springs Northern California-Guaymas

Inauguration of flights to Cabo San Lucas highlights new service to be started Oct. 30, coinciding with the return to standard time.

Other major changes include:

- New 727 direct service between Alberta and Phoenix. The flights will be one-stop, via Las Vegas, between Calgary and Phoenix, competing with similar service by Western Airlines. The service also will offer the only direct flights between Edmonton and Phoenix.
- The only direct service between Salt Lake City and Palm Springs, via Los Angeles.
- New direct flights from San Francisco and Monterey to Guaymas, also serving Mazatlan.



Artist's view of DC-9 with enclosed overhead storage compartments

TRANSITION

WELCOME ABOARD

Jean Holmes, telephone sales agent, San Francisco. **Florence Miyakado**, junior revenue accounting clerk, San Francisco. **Anthony Garde**, binderyman, San Francisco. **Hakeem Shabazz** and **Michael Cullins**, station agents, Los Angeles. **Josephine Lauria**, **Paul Garcia**, **Paul Hampton**, **Laura Espinosa** and **Margaret MacLeod**, telephone sales agents, Los Angeles. **Lynn Shanks**, industrial nurse, San Francisco. Credit Union, Phoenix: **Jana Frangos**, teller/receptionist. Credit Union, San Francisco: **Beverly Casey**, loan officer.

PROMOTIONS

Linda Langlume to intermediate general accounting clerk, San Francisco. **Phyllis Sherer** to chief telephone sales agent, Phoenix. **Yvonne Mathews** to intermediate revenue accounting clerk, San Francisco. **Susan Ogle** to reservations inventory control assistant manager, San Francisco.

SERVICE ANNIVERSARIES

THIRTY YEARS

SAN FRANCISCO—**Duke Briscoe**, station manager.

TWENTY YEARS

PHOENIX—**Chauncey Reese** and **Richard Francisco**, captains. SEATTLE—**Nicholas Chapman** and **James Frazier**, captains. **Jack Frimodt**, ticket agent. SAN FRANCISCO—**Eric Wilson**, stations senior director.

FIFTEEN YEARS

REDDING—**Donald Rice**, chief station agent. EUREKA—**William Strickland**, chief station agent. SANTA MARIA—**Herbert Dick**, station agent. LOS ANGELES—**Donald Gary**, ground serviceman. YAKIMA—**Charles Hiatt**, station agent. SAN FRANCISCO—**Henry Sandoval**, chief ticket agent. **Mike Murphy**, public affairs senior director. ORANGE COUNTY—**Robert Ferris**, station agent. SAN JOSE—**Robert Elliott**, station agent. SAN DIEGO—**Lloyd Johnson**, station agent. LAS VEGAS—**Hans Ring**, ticket agent. PHOENIX—**Ida Gomez Llanos**, flight attendant. SEATTLE—**Carl Olander**, chief ticket agent.

TEN YEARS

LAS VEGAS—**Gopinathan Anthur**, lead technician. **Stuart Lowe**, first officer. **Phyllis Bays** and **Patricia Eala**, flight attendants. SEATTLE—**Alexander Evertz** and **William McCrady**, captains. **Tom Roche**, **Garold Talley**, **Eugene White** and **Jerry Wolfe**, first officers. **Suzanne Boswell**, **Sandra Dudley** and **Lee Willis**, flight attendants. **Tana Melton** and **Timothy Takayoshi**, telephone sales agents. PHOENIX—**Charles Fryer**, captain. **Shelly Holmes** and **Robert Monson**, first officers. **Harvey Kilbride**, ticket agent. **Richard Mason**, station agent. **Eddie Lundeen**, clerk typist. PASCO—**Roger Layton**, station agent. LOS ANGELES—**Gerald Brown**, technician. TUCSON—**Richard Vidlak**, station agent. SAN FRANCISCO—**Polly Hjelt** and **Kathleen White**, flight attendants. **Marie True** and **Bette Mock**, secretaries. **Charles Dickinson**, station agent.

FIVE YEARS

GUADALAJARA—**Delmercad Vassquez Delmercado**, porter. LAS VEGAS—**Kenneth Wilson**, station agent. SAN FRANCISCO—**Mary Jean Hackwood**, pensions and group insurance manager. PHOENIX—**Dale Nelson**, computer operator. **Joseph Cobb** and **Stanley Chester**, technicians.



Twenty-six flight attendants were graduated Oct. 5 in ceremonies at international headquarters.

Rick Gustyla, market development senior director, addressed the group. The graduates were introduced by **Gloria Evans**, Las Vegas flight attendant and class instructor. They were pinned and received their diplomas from their flight attendant managers, **Phyllis Ahlswede** of Las Vegas and **Marti Henderson** of Phoenix.

Ellen Johnson was pinned by her sister, **Terrie Short**, Seattle, flight attendant. **Mary Scarbrough** was class valedictorian.

The new flight attendants are (kneeling, from left with hometown and domicile): **Tracy Pang**, Kaneohe, Hawaii (LAS); **Steve Clayton**, Tempe, Ariz. (LAS); **Jerry Rosenberg**, Goleta, Calif. (LAS); **Don Brosnan**, Yakima (LAS).

Middle row: **Marti Henderson**; **Mary Alegria**, Fresno (LAS); **Mary Addis**, Las Vegas (LAS); **Janet Berggren**, Lafayette, Calif. (LAS); **Cindy Cook**, Tempe, Ariz. (PHX); **Madeline Dolk**, Phoenix (PHX); **Stacy Wachs**, Scottsdale, Ariz. (PHX); **Ellen Johnson**, Glendale, Ariz. (PHX); **Marcee Sherwood**, Salt Lake City (LAS); **Becky Peters**, Seattle (LAS); **Pam Williams**, Ontario, Ore. (LAS); **Linda Banner**, Phoenix (PHX); **Phyllis Ahlswede**.

Back row: **Carole Smith**, Seattle (LAS); **Holly Detjen**, Phoenix (PHX); **Carrie Dawe**, Concord, Calif. (LAS); **Mary Scarbrough**, Las Vegas (LAS); **Marie Cappele**, Phoenix (PHX); **Margaret Facy**, Tempe, Ariz. (PHX); **Mary Kimbell**, Phoenix (PHX); **Paula Fincher**, Las Vegas (PHX); **Wendy Biggam**, Las Vegas (LAS); **Elizabeth Whitney**, Belmont, Calif. (LAS); **Julie Beck**, Sun Valley, Idaho (LAS).

Also participating in the ceremony were **Woody Heynolds**, inflight services senior director; **Dottie Smith**, flight attendant administration director; **Tom Bennis**, training manager; **Carol Gagnard**, customer services instructor; and **Carol Wade**, San Francisco flight attendant and training coordinator.

IN MEMORIAM

John Chan, station agent, Orange County; Oct. 17. He joined the company in 1959 as a station agent in San Francisco and was in field sales there and in Southern California in 1968-75. He was 41.

W. A. Wellinger, father of **Walt Wellinger**, check captain, San Francisco; Sept. 16.

Earl Proctor, husband of retired employe **Leta Proctor**, and father-in-law of **Pete Hendrickson**, captain, San Francisco; Sept. 16.

Carl Brechbill, Sr., father of **Carl Brechbill**, lead technician, Phoenix; Sept. 20.

Frances Christensen, mother of **Richard Christensen**, ticket agent, Seattle; Oct. 1. Mother of **Fritz Krebs**, chief station agent, Sacramento; Oct. 1.

Vincent Cardamone, father of **Frank Cardamone**, production control analyst, Phoenix.

HEIR FARE

To **Sandra** and **Ed Riederich**, chief telephone sales agent, Seattle: a girl, **Amy Elizabeth**, 7 lbs. 4 oz.; Oct. 4.

To **Rita** and **Paul Hahn**, station agent, Salt Lake City: a girl, **Jessica Mary**, 7 lbs. 8 oz.; Sept. 24.

Passenger miles up 27 per cent

September traffic grows at record pace

Our passengers and the miles they flew in September increased at a faster rate than during any previous month this year.

Boardings rose 23 per cent to 405,173 from 329,289 in September 1976.

Revenue passenger miles rose 27.1

Grear, Camargo, Henn, Nakata named managers

Grear

Beverly Anne Grear has been promoted to manager of reservations systems and advance planning, a new position, based in San Mateo.

She had been telephone sales assistant manager in Phoenix since June.

She joined us in 1967 as a reservations agent. She was promoted to seat inventory control supervisor in San Mateo in 1974 and to reservations control assistant manager last year.

Grear attended Weaver Airline School in Kansas City.

Camargo

Richard J. Camargo has been named personnel services and EEO manager.

His responsibilities include management of medical services, cafeteria operations, the Equal Employment Opportunity affirmative action program and other employe programs and activities.

Before joining Hughes Airwest, Camargo, 26, was responsible for EEO program administration for Northrop Corp. Aircraft Group in Hawthorne, Calif., and worked for Pacific Telephone in North Hollywood.

He received a bachelor's degree at the University of California, Berkeley, and a masters in business administration at U.C., Los Angeles, concentrating in industrial relations.

(Continued on next page)

PEOPLE POTPOURRI

Pat O'Grady, Las Vegas check captain, is the new commander of the Oregon Air National Guard. He is a brigadier general.

Grand Canyon sales/service manager **Eidon Forbes** and station agent **Tom Lewis** won the top transportation group Exhibitor Award last month for their display at the *Travel Age East* trade show in Phoenix. **Kathy Neary**, Phoenix flight attendant, helped man the booth. Also attending was **Caterina DeMartin**, our eastern sales manager from New York City.

Jeanne Koreltz, Las Vegas flight attendant, has been elected treasurer of the Survival and Flight Equipment Association.

Public Relations News presented its Gold Key award for professional excellence to **Lee Pitt**, public relations staff vice president, at a luncheon Oct. 3 in New York City.

FINANCIAL RESULTS

	Sept. '77*	Sept. '76*	% Change
Operating revenue—scheduled	\$ 20,214	\$ 15,879	+ 27.3
—charter	702	337	+ 108.3
Operating expense—scheduled	19,544	15,963	+ 22.4
—charter	630	269	+ 134.2
Operating earnings (loss)	742	(16)	
Non-operating earnings	470	1,346	
Provision for taxes	345	681	
Net earnings	867	649	
		Year-to-date*	
Operating revenue—scheduled	\$178,477	\$145,989	+ 22.3
—charter	5,114	2,099	+ 143.6
Operating expense—scheduled	169,533	142,243	+ 19.2
—charter	4,598	1,670	+ 175.3
Operating earnings	9,460	4,175	
Non-operating earnings (loss)	(1,959)	(512)	
Provision for taxes	1,853	1,876	
Net earnings	5,648	1,787	

*All data in thousands (add 000).

TRAFFIC SCOREBOARD

	Sept. '77	Sept. '76	% Change
Passengers	405,173	329,289	+ 23.0
Revenue passenger miles	164.6 mil.	129.5 mil.	+ 27.1
Available seat miles	314.7 mil.	266.8 mil.	+ 18.0
Load factor	52.3%	48.5%	
Passenger density	49.8	43.2	+ 15.3
Average trip miles	406.3	393.2	+ 3.3
Charter passengers	10,644	9,117	+ 16.7
Charter miles flown	151,114	57,337	+ 163.6
Cargo ton miles	858,569	735,637	+ 16.7
Cargo tons boarded	1,985	1,734	+ 14.5
On-time performance	89.3%	87.0%	
		Year-to-date	
Passengers	3,555,351	3,006,091	+ 18.3
Revenue passenger miles	1,488 bil.	1,224 bil.	+ 21.5
Available seat miles	2,768 bil.	2,264 bil.	+ 22.3
Load factor	53.7%	54.1%	
Passenger density	50.3	47.7	+ 5.5
Average trip miles	418.5	407.3	+ 2.7
Charter passengers	103,838	54,635	+ 90.1
Charter miles flown	860,358	366,515	+ 134.7
Cargo ton miles	7,403 mil.	6,495 mil.	+ 14.0
Cargo tons boarded	17,023	15,513	+ 9.7
On-time performance	83.0%	86.0%	

per cent to 164,620,584 from 129,489,750.

In terms of number of passengers boarded, it was the third best month in our history, exceeded only by August and July of this year. In passenger miles, it was our fifth best.

During the first three quarters of 1977, boardings increased 18.3 per cent to 3,555,351 and passenger miles rose 21.5 per cent to 1,487,940,313.

(See Traffic Scoreboard for other performance statistics.)

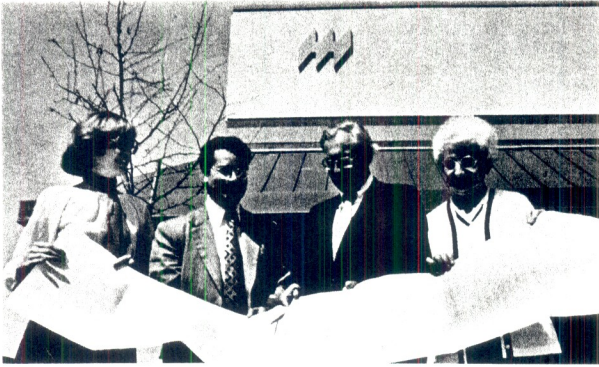
Station records

Kalispell, Las Vegas and Seattle reported that they had their best September in terms of passenger boardings.

Seattle also set an all-time record in air freight boarded.

SEPTEMBER 727 PERFORMANCE

	Sept.	Year to date
Scheduled service*		
Passenger boardings	16,279	148,904
Load factor	41.7%	49.6%
Density	64.6	76.2
Average trip miles	686	802
*YEG-YYC-LAS-LAX-PSP		
Charter service		
Passenger boardings	6,060	41,155
Charter miles flown	76,596	428,758
Average trip miles	1,506	1,243



A "ribbon" of computer printout paper is cut by Russell V. Stephenson, general manager, signifying completion of management information services' move to new facilities in Phoenix. Assisting are Brad Heap, MIS senior director; Carol May (left), clerk typist; and Arlene Neer, secretary. Also on hand was Terry Ashton, planning vice president. The new MIS home has 17,000 square feet, more than twice the space the department had at the maintenance base. The facility, southwest of Sky Harbor, houses the company's new IBM 370/148 computer which has the latest technology and twice the memory of the 360/65 the department was using before the move. The new location has room for expansion and is a major step toward an on-line system which will give management more timely access to data. MIS has 75 employees in Phoenix and San Mateo.

NEW MANAGERS

Nakata

Wesley M. Nakata has been promoted to systems development manager in management information services, Phoenix.

He has been with the company since 1972, most recently as a programmer analyst.

In his new position, he is responsible for development of maintenance data collection systems.

Nakata, 29, studied at Knox College in Illinois and served in the U.S. Army.

Henn

Ralph W. Henn has been promoted to employee publication manager.

He joined the company in 1974. He will continue as editor of this publica-

tion, as well as other responsibilities in the public relations department.

Henn, 32, was general manager of Lewis Publishing, Inc., Oakland, before coming to Hughes Airwest.

He is a journalism graduate of San Francisco State University, where he later served as alumni executive director. He also has freelanced for San Francisco Bay Area publications and is a former wire service correspondent.

Henn is a member of the Air Transport Association Editors Forum, San Francisco Press Club and International Association of Business Communicators, and a past vice president and member of the Bay Area Society of Industrial Communicators.

Pedersen, Miller, Dorris advanced to director

Three San Mateo-based managers have been promoted to director. They are:

- R. Burton Pedersen, consumer affairs;
- Rhonda R. Miller, aircraft crew management services; and
- Edwin L. Dorris, Jr., purchasing.

Pedersen

Burt Pedersen joined the company in 1965 as a station agent in Eureka. He later transferred to Medford and San Francisco and in 1967 was named chief agent in central lost and found.

He was promoted to customer relations assistant manager in 1972 and manager of baggage and cargo claims in consumer affairs in 1974.

Pedersen, 35, studied cost accounting at Humboldt State College, Arcata, and San Jose State University, and worked for the Bank of America and United California Bank in Eureka and San Francisco before joining us.



Pedersen



Miller

In her new position, Rhonda Miller will supervise crew scheduling and flight records administration.

She joined the company as a San Francisco reservations agent in 1968. Later she served as a teletype operator and in 1969 she transferred to Phoenix as a crew scheduler. She was a senior crew scheduler in Las Vegas in 1971-72 and a crew scheduler in San Mateo until a year ago when she was promoted to crew scheduling and flight records co-manager.

Miller received a degree from the College of San Mateo.

Dorris

Ed Dorris joined us in 1965 as purchasing manager, based in Phoenix. Previously he was in purchasing with TWA.

He studied business administration at the University of Wisconsin and William Jewell College in Missouri. He served in the Navy Air Corps in 1942-45 and the U.S. Air Force in 1951-52.

Dorris, 53, is vice chairman of the Air Transport Association task force on value analysis. He has represented Hughes Airwest on that group for the past three years.



Dorris

It's time to prepare for scholarships . . .

Employees who have children who are high school seniors are reminded to have them register soon for SAT or ACT tests if they plan to apply for one of the company scholarships.

Tests results must be available by March 1, the application deadline. Applications will be available after Dec. 1. College undergraduates are also eligible. Details will be announced later.

A review of route proceedings

Following is a status report on major regulatory proceedings affecting Hughes Airwest.

California - Alberta

These authorities for nonstop routes from San Francisco and Los Angeles to Calgary and Edmonton are under active consideration by the Civil Aeronautics Board. A decision, which is subject to the President's approval, is expected soon.

Both the CAB bureau of operating rights (BOR) and administrative law judge (ALJ) recommended late last spring that we receive the routes.

The other applicant, Western Air Lines, filed a petition in September for board review of the judge's decision. That petition is under consideration.

Air Canada already serves San Francisco-California nonstop and Edmonton beyond. Its Los Angeles-Alberta nonstop authority takes effect in April 1978 under the bilateral agreement.

Phoenix - Des Moines/Milwaukee

We have been recommended for the route by both the BOR and ALJ. Ozark Airlines also applied. A final decision is expected by the end of the year.

Reno - Los Angeles/Spokane

This application, filed July 25, is a request to remove restrictions requiring us to make an intermediate stop on all flights between Reno and the two cities. In cases such as this (called Subpart M), the board must either stay the case within 14 days or allow it to move to the next procedural step. It did not stay the case.

In late September, answers supporting us were filed by the State of Washington parties, Spokane and Reno.

United and Western Airlines filed answers opposing the application. Both serve Los Angeles-Reno nonstop. United has not used its nonstop Spokane-Reno authority in the 10 years it has had it nor has it offered single-plane service, as we do, since 1969.

PSA, a California intrastate carrier, also filed an answer and a motion requesting consolidation of its application for nonstop authority linking Los Angeles and Burbank with Reno into the case.

Spokane - Vancouver

The board has not yet acted on our May petition for re-

consideration of its denial of a hearing.

In September, Frontier Airlines filed a petition asking that it be allowed to intervene in this case. An ALJ recently recommended Frontier to serve Denver-Spokane, thus giving Frontier interest in the Vancouver route beyond Spokane. It does not now serve Spokane. (The ALJ also recommended that Frontier not be allowed to fly nonstop between Spokane and Salt Lake City as a result of new authority.)

We have been seeking the Spokane-Vancouver route since before it was established in 1974 bilateral agreements.

Los Angeles - Ohio/Indiana

An ALJ recommended American Airlines for these routes last May. We asked the board to reverse this decision and grant our bid for authority to Indianapolis, Dayton, Cincinnati and Columbus. The board had set Sept. 26 as its target date for acting on petitions for discretionary review, but that date passed without action.

West Coast - Alaska

Civic hearings were held starting Oct. 11 in Portland and Oct. 17 in Anchorage. Carrier testimony was to be heard Oct. 26 in Washington, D.C. We have applied for nonstop authority from Portland and San Francisco to Anchorage, with direct service from seven other Hughes Airwest cities. Several other airlines have applied for similar authority to Anchorage from the West Coast.

We have many other regulatory cases pending. Following are the major applications:

- Los Angeles - Louisville/Nashville (awaiting ALJ recommendation).
- Las Vegas/Phoenix/Tucson - Southern Texas/South Orleans.
- Las Vegas - Dallas/Ft. Worth (ALJ has recommended Braniff).
- Oakland to Chicago, Denver, Albuquerque - Dallas/Houston and to Minneapolis/ St. Paul, Kansas City and St. Louis via Reno and Salt Lake City.
- Route realignment (asking that restrictions be lifted to allow non-stop service between 128 city pairs and

reduced to one-stop in another 15 markets), filed in 1975.

- Las Vegas/Phoenix - Minneapolis/St. Paul.
- Sacramento - Phoenix/Seattle and Fresno - Portland.
- Reno - San Francisco/Los Angeles and Reno - Denver.
- Boise - Denver.

Defensive actions

The company also is involved in a number of cases where it is defending routes or authority. Following are some of those:

- Phoenix - Las Vegas - Reno Competitive Nonstop Service--The ALJ has not announced a recommendation. BOR has recommended Continental for Las Vegas - Phoenix and Delta for Las Vegas - Reno. Several other airlines also have applied, including Western which has also asked for intrastate Las Vegas - Reno authority.
- Salt Lake City - Phoenix--Western applied in June to compete with us. We filed our answer in September opposing its request for an expedited hearing. Hearing expedition was supported by the Utah parties, Phoenix, Great Falls Chamber of Commerce and Frontier. Hearing has not been assigned to an ALJ.
- Arizona Service--Cochise Airlines has applied for CAB certification to fly between 16 cities in Arizona, Southern California and Nevada, including intrastate service at Grand Canyon, Yuma, Phoenix, Tucson, Blythe, El Centro, Los Angeles and Las Vegas. Hearings began this month.
- Tucson - San Diego--Frontier has applied for this route. Hughes Airwest, American and TWA opposed an expedited hearing, which was supported by Tucson Airport Authority and Albuquerque parties.
- Trunk Route Realignment--Western was the first trunk to file for realignment. Its proposal would give it nonstop authority in 27 smaller, non-competitive cities we serve. The board is now actively considering trunk realignments. They are opposed by the regionals.
- PSA Interstate Application--The commuter carrier has applied to serve Las Vegas and Reno from California cities.

A ticket agent and five flight attendants have received the "Top Banana" trophy for mention in five complimentary letters from customers.

• Margaret Phillips, Phoenix, is the ticket agent.

The flight attendants are:

• Luis Millard and Mark Riley, Las Vegas;

• Scott Woll, Seattle; and

• Kaki Hauprich and Ulda Taveras, Phoenix.

The award has been received by 24 employees since the beginning of the year.

Forty-five more employees have been awarded the "Top Banana" pin for their first compliment. The total now is 824, or almost one out of every five employees.

The new pin recipients are:

Jean Austin, Lloyd Ball, Kristi Beckley, Toma Bemis, Colleen Bevacqua, Susan Bottomley, Debbie Bremner, James Bremner, Marlene Bulfone.

Dave Clapp, Debbie Corbin, John Denys, Carol Ewan, Rosendo Felix, Miguel Fonseca, Judy Franklin.

Sherry Harvey, Charles Hiatt, Sonny Hodge, John Johnston, Barbara Knutsen-Jerstad, Kathy Kropp, Leona Laurin, Ron Lindsay.

Lynne Mansfield, Kay Marshall, Darlene Matlewsky, Marcia Matoza-McGallian, Kathy Maxwell, Randy Miles, Stephanie Nausid.

Randy Oaks, Kathy Ottewell, Marilyn Redmond, Don Rogers, Joan Smith, Larry Smith, Robert Valencia, Mary Ann Valentine, Ray Vaughn, Carrie Visser, Wayne Warmuth, Ross Webb, Genevieve Young-Sowa, Jan Zerone.

spouses competed in the 1977 system-wide Art, Craft and Photography Show sponsored last month by the San Francisco Region Employees Club.

Entries were from the San Francisco Bay Area, Seattle and Phoenix.

Judging was by artists from outside the company.

Ken Bower, husband of Debbie Bower, junior accounting clerk, San Mateo, won the "Best of Show" award (see photo).

The "Airline Theme" prize was received by James Zonlick, San Francisco first officer.

The "Purchase Award" went to Colleen Gustafarro, Phoenix flight attendant. Under the purchase program, the company buys one entry from the show each year for display in the lobby of building #2 of international headquarters. This year's is the third to be added to the employee's art gallery.

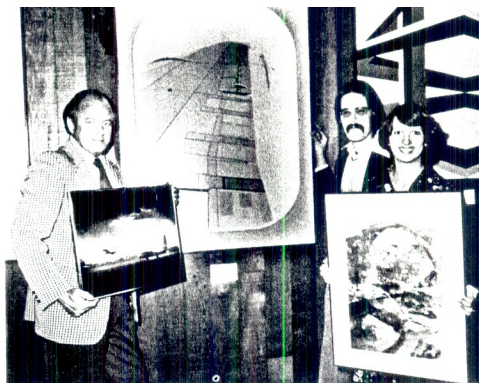
The show culminated with a wine-and-cheese reception and awards presentation.

The show and event was planned and coordinated by Angela Jurgensen, intermediate accounting clerk. Jim McGill, stations training specialist, was master-of-ceremonies for the awards presentation. Russell V. Stephenson, general manager, presented the Purchase Award.

Following are the category winners:

Paintings

1st: Colleen Gustafarro, flight attendant, Phoenix. 2nd: Toni Manuel, flight attendant, San Francisco. 3rd: Ken Bower, husband of Debbie Bower, junior accounting clerk,



Proud winners of the 1977 art show (from left): Jim Zonlick, San Francisco first officer; Ken Bower, husband of Debbie Bower, junior accounting clerk, San Mateo; and Colleen Gustafarro, Phoenix flight attendant (see story).

San Mateo. Honorable mention: Bonnie Barry, secretary, legal, San Mateo.

Drawings

1st: Ken Bower. 2nd: Robert Palmer, lead press operator, San Francisco. 3rd: Toni Manuel, flight attendant, San Francisco.

Photographs

1st: Sigrid White, telephone sales agent, San Mateo. 2nd: James Zonlick, first officer, San Francisco. 3rd: Linda King, compositor, print shop, San Francisco. Hon. Men.: Horst Seyd, husband of Wilma Seyd, telephone sales agent, San Mateo.

Stained Glass

1st: Larry King, draftsman, Phoenix. Hon. Men.: Jan Keltner, records administrator, San Mateo.

Ceramics

1st: Louise Jones, wife of Stan Jones, passenger interline accounting manager, San Mateo.

Handicrafts

1st: Roger Cook, ticket agent, San Francisco. 2nd: Dorothy Green, senior accounting clerk, San Mateo. 3rd: Pete Towns, husband of Eugene Towns, junior accounting clerk, San Mateo.

Needlework

1st: Toni Coleman, telephone sales agent, San Mateo. 2nd: Mary Koslosky, secretary, purchasing, San Mateo. 3rd: Dorothy Smith, intermediate accounting clerk, San Mateo. Hon. Men.: Peggy Heck, telephone sales agent, and Eddy Obuchi, junior accounting clerk, San Mateo.

Plants, Planters & Flower Arrangements

1st: Larry King. 3rd: Jan Keltner.

Miscellaneous

1st: Charla Meyer (batik), intermediate accounting clerk, San Mateo. Hon. Men.: Judi Losada (scrimshaw), intermediate accounting clerk, San Mateo.

SPORTS . . .

World Golf

The Hughes Airwest team captured the Guinness Peat Aviation Trophy in the World Airline Golf Tournament, for the second year in a row, in Jamaica last month.

Teammembers were Phil Michelon, Las Vegas captain, and Rich Anderson, Las Vegas first officer, who were selected for the competition in system-wide eliminations.

The Guinness trophy is for the best net score based on handicaps. They also placed fourth among 38 teams in scratch play.

Tennis

Our flight attendant team came in ninth out of 15 teams in the Springmaid International Stewardess Tournament in Austin, Texas, Sept. 26-30.

Teammembers were Alice Herdman (captain), Willa Polk-Morris and Jacqueline Erting, San Francisco; Missy Brosnahan and Judy Reutter, Phoenix; and Kay Peterson, Las Vegas. A challenge for the 1978 team will be held Jan. 15. Contact Herdman for details.

More golf

A systemwide Employee Club-sponsored golf meet will be held Nov. 9 in Las Vegas. Contact John Otero, chief station agent there, for details.

Employee Ambassadors, California to Sun Valley

40 bargains, 22 destinations featured for '77-'78 ski season

We're schussing down the home stretch headlong into the 1977-78 ski season with special packages, discount fares and ski jets to some of the best slopes in the West.

Forty different packages to 22 popular resorts in eight states and Canada are featured in our new "Ski Jumps" program this winter.

Discount air fares from selected cities, including special group bargains, will cut up to 30 per cent off the regular rate when purchased along with a package tour.

Passengers traveling with skis who check in to any Hughes Airwest ticket counter will receive a complimentary

MEADOWS . . .

(Continued from front page)

University, Medford, Mass. in 1944 with a bachelor's degree in electrical engineering and received a master's degree in economics from Stanford University in 1959.

He served two years as an officer in the Army Signal Corps in the Pacific and Europe at the end of World War II.

Meadows is a member of several organizations, including the International Aviation Club in Washington.

He reports to Russell V. Stephenson, general manager.

set of rubber fasteners that clamp skis together during transit and a coupon for a free hot wax at selected commercial outlets throughout the West.

Sun Valley

Special Friday, Saturday and Sunday ski jets will start operating Jan. 6 from Los Angeles and San Francisco to Twin Falls, gateway to famed Sun Valley. The company expects these scheduled flights will attract nearly 15,000 passengers this season.

These weekend nonstop ski jets will be bolstered by additional flights operating from other cities throughout the West.

Salt Lake City

Salt Lake City, which claims "the greatest snow on earth" at six nearby resorts, is being emphasized this season as a prime destination for Southern California ski buffs.

Featured are special group air fare discounts on packages beginning Nov. 18. These rates will apply to nonstop jets from Los Angeles, Burbank and Orange County and one-stop from San Diego.

Other ski resorts

Other resorts featured this season (listed by gateway city) are:

• Calgary — Mt. Norquay, Sunshine and Lake Louise;

- Kalispell — Big Mountain;
- Spokane — Schweitzer;
- Redmond — Mt. Bachelor;
- Reno (Lake Tahoe area) — Alpine Meadows, Heavenly Valley, Kirkwood, North Star, Ski Incline and Squaw Valley;
- Denver — Vail;
- Boise — Bogus Basin; and
- Idaho Falls or Salt Lake City — Jackson Hole, Wyo.

Ski Ambassadors

As in past years, volunteer Ski Ambassadors—our ski-minded employees—will be aboard weekend nonstop ski jets from Los Angeles and San Francisco to Twin Falls to answer passengers' questions regarding destinations and travel itineraries. They will remain in Sun Valley for the week as the airline's representatives.

The 50 ambassadors will be selected from throughout the system by Oct. 31.

Snow Phone

Our exclusive Snow Phone will be plugged in Nov. 15 to provide detailed reports on snow conditions at major ski areas. It will operate until the end of March.

727-200s . . .

(Continued from front page)

\$41 million from Eastern Airlines with first-refusal rights on 15 more.

Three of the aircraft are now in scheduled service. The fourth is being standardized to our specifications at the maintenance base in Phoenix and will be in service in early November.

The fifth was to be delivered this month and ready for service by early December.

The remaining five -30s are expected to be received during 1978.

Two DC-9-15s have been sold and the company expects to sell more of the smaller jets in the months ahead.

By Christmas, we will have 45 aircraft in scheduled and charter service, compared with 42 during the holidays last year—an overall net gain of 365 seats.



The United Way is us.

All of us.

United Way payroll deduction drives are being conducted in early November in San Francisco and Phoenix.

Supervisors will be distributing pledge cards which should be returned by Nov. 11.

Tom Hall, personnel director, is campaign chairman. Coordinators are Richard Camargo, personnel services manager, for San Francisco and San Mateo, and Jeff Reith, personnel manager, for Phoenix.

Employees in other cities are encouraged to participate in the nationwide campaign through local drives.



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