

Profit more than doubles in 1st quarter—\$2.6 million

Operating revenue increased 29 per cent and our net profit jumped 131 per cent during the first three months of 1978, compared with the same period a year ago.

Earnings were \$2.6 million on revenues of \$75.8 million. In the first quarter of 1977, profit totaled \$1.1 million on revenues of \$58.9 million.

Operating expenses for the quarter were \$70.3 million, compared with \$56.7 million a year ago, up 24 per cent.

The quarter's earnings were the second highest of any first three months in the airline's history.

The all-time record was set during the fuel crises of 1974, when first quarter earnings totaled \$4 million on \$37.8 million in revenues. A major contribution to that quarter was the sale of five surplus F-27 propjet aircraft.

A good ski season—finally; traffic to Mexico growing faster than other airlines'

Dramatic turnarounds in ski and Mexico traffic contributed to our record-setting first quarter traffic.

We flew more than 28,000 passengers on packages to four primary ski areas this year.

About half of this traffic was to Sun Valley from San Francisco and Los Angeles on our weekend ski jets. Many of these passengers were assisted by our 35 volunteer employe Ski Ambassadors. Ski traffic to Sun Valley from Seattle and other Northwest cities also was strong.

Other areas included Utah (9,800 passengers), Canada (3,600) and Colorado, via interchange service (850).

Ski traffic met forecasts in spite of commitments frequently not being met by wholesalers who had blocked seats, according to Norm Hansen, leisure (Continued on back page)

'Know your competitor' takes top award in worldwide airline publications competition

This publication won first place writing honors in a contest among the airlines of the world.

The "Best Written Article" award was in the annual competition of the Air Transport Association Airline Editors Forum.

Judges noted the "extraordinary research and frankness" of the continuing "Know your competitor" series.

The award was "in recognition of the highest standards of journalism excellence." It was accepted on behalf of the company and public relations department by Ralph Henn, employe publication manager and editor, at the Forum's 23rd annual conference this month in Montreal.

Judging for the best of 1977 was by newsmen from the state of Georgia, including the United Press International, and by Robert J. Serling, noted author.



Eric Sechrist and 97 fellow cleaners collect about one million bags of garbage a year.

The new 'module look'



The first DC-9-30 with enclosed overhead storage modules entered scheduled service April 1. Checking finishing touches are John Walter (left), hangar maintenance manager, and Chuck Cumming, maintenance technician. All -30s are getting the compartments and new interior decor similar to our trijets. Renovation of each aircraft takes about seven days and is done in conjunction with C checks. Usable volume of each compartment is greater than those on many widebody aircraft. Loading capacity is 50 pounds.

Vol. 10, No. 4 Hughes Air Corp. April 1978

CAB gives go-ahead for 30 per cent fare discount, new business coach

The Civil Aeronautics Board has decided to permit our 30 per cent fare discount and business coach proposals.

Northwest Airlines had objected to the plan, but the board dismissed its petition.

Canadian approval is pending. The discounts will not apply to Mexico travel.

They will be applicable after June 1 in U.S. markets.

Business coach—four rows of four-abreast seating on DC-9s—will be offered starting this fall.

Further details will be announced.

March traffic: all-time records in boardings, RPMs, density, loads

The best ski season in four years, heavy Easter traffic and strong performance in Mexican and Canadian markets helped us break all traffic records in March.

Boardings exceeded 500,000 for the first time, passengers were flown farther than ever before, the percentage of seats filled broke a four-year-old record and the number of passengers flying per mile surpassed the once elusive 60-passenger mark.

Boardings at the 55 airports totaled 500,730—26.9 per cent more than in March 1977. This shattered the previous monthly record set in August 1977 by 38,150.

Revenue passenger miles (RPMs) increased 30.7 per cent to an all-time high of 222,609,900. The former record was 200,368,700 set in January of this year.

Load factor (percentage of seats filled) climbed from 54.9 per cent last March to 64 per cent to break the previous high of 63.3 logged in March 1974. Density (passengers per mile) rose to 61.2 (from 51.2) compared with

(Continued on next page)

Complimentary letters boost 'Top Banana' trophy, pin awards past milestone marks

More than one out of every four employes has received the "Top Banana" pin and the number earning the "Top Banana" trophy has topped 100 with the addition of eight winners:

- Richard Adams, ticket agent, and Susie Casalegno and Patricia Zekas, flight attendants, San Francisco; and
- Virginia Baker, Marianne McKay, Catherine Quinn, Bridget Rose and Ester Sterling, flight attendants, Las Vegas.

(Continued on back page)

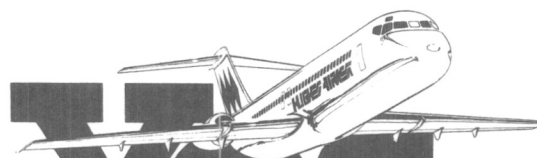
Sacramento-Nevada nonstops, 727 service for Bay Area lead schedule improvements

Nonstop flights linking Sacramento and Las Vegas and 727 service for San Jose and Oakland highlight the April 30 schedule change.

The Sacramento-Las Vegas nonstops also will serve Phoenix, giving the California capital new one-stop links with Arizona.

Western Airlines serves Sacramento-Las Vegas one-stop via Los Angeles. We are the only airline offering direct Sacramento-Phoenix service.

The new 727 service will link Las Vegas with Oakland and San Jose twice daily. One flight will serve San Jose nonstop continuing to Oakland and returning. The other will fly to Oakland first, returning via San Jose. All flights will serve Phoenix beyond Las Vegas.



YES.

Hughes Airwest flies to more places in the West, Canada and Mexico than any other airline.

SERVICE ANNIVERSARIES

THIRTY YEARS

LAS VEGAS—**Marshall Smith**, captain. SAN FRANCISCO—**Edward Coleman**, cleaner.

TWENTY-FIVE YEARS

SACRAMENTO—**Gene Martin**, station manager. TWIN FALLS—**Ronald Masoner**, chief station agent.

TWENTY YEARS

BOISE—**Glen Schloe**, station agent. PHOENIX—**Carl McDermitt**, captain. **George Batiza**, quality control supervisor. **Herman Jones**, ground equipment technician. **John Smith**, lead stock clerk.

FIFTEEN YEARS

ORANGE COUNTY—**Paul Anderson**, station agent. BOISE—**John King**, maintenance technician. PHOENIX—**Joseph Bruun**, maintenance manager. LAS VEGAS—**Eddy Campiglia**, stock clerk. **Edwin Friend**, captain. **Richard Bennett** and **Harold Cluff**, captains.

TEN YEARS

SAN MATEO—**Rhonda Miller**, aircraft crew management services director. **Hete Di-Giorgio** and **Susan Harshbarger**, intermediate revenue accounting clerks. **Jay Kramer**, cargo accounting manager. LA PAZ—**Adrian Aguilar**, passenger service agent. **Lucas Alvarez** and **Isidor Lara**, porters. PHOENIX—**Samuel King**, stock clerk. **James Bickley** and **Lonny Mercer**, first officers. **Larry Nettles**, station agent. SEATTLE—**Sheryl Towle**, first officer. **Sheryl Rheinberger**, **Susan Robinson** and **Janet Vogel**, flight attendants. **Richard Lupp**, station agent. PUERTO VALLARTA—**Jesus Salgado**, passenger service agent. **Alfredo Palacios**, senior porter. MEXICO CITY—**Maria Murillo**, secretary. MAZATLAN—**Jose Hernandez**, sales & service manager. KALLISPELL—**Warren Cady**, station agent. KLAMATH FALLS—**Robert Lane**, station agent. PALM SPRINGS—**Art Armstrong**, sales & service manager. SAN DIEGO—**Donna Tatham**, station agent. SAN JOSE—**John Klipfel**, Bay Area aircargo account executive. PORTLAND—**Kenneth Finch**, ticket agent. LAS VEGAS—**Milton Park**, **James Reineccius**, **David Hunter**, **Albert Butsavich** and **Larry Daud**, station agents. **Judith Smith**, **Rosa Heben** and **Mary Valentine**, flight attendants. **Rodney Cillo**, chief ticket agent. SAN FRANCISCO—**Lai Mark**, **Pamela Lambert** and **Cynthia Smith**, flight attendants.

FIVE YEARS

SAN MATEO—**Winifred Li**, **Judy Applegate** and **Anita Yock**, intermediate revenue accounting clerks. PHOENIX—**Donald Corbin**, cleaner. **Moses Ortega**, hangar maintenance technician. **Dave Buskirk**, district sales manager. **Carolyn Nagle**, **Coleen Gustafiero**, **Randy Oaks**, **Lyn Gabel** and **Valerie Gentry**, flight attendants. LAS VEGAS—**Diane Hoffman**, **Gary Surrency** and **Patricia Feher**, flight attendants. SEATTLE—**Danita Kelly**, flight attendant. SAN FRANCISCO—**LeeAnn Walters**, flight attendant.

HEIR FARE

To **Michael** and **Karen Magnan**, clerk typist, telephone sales, Phoenix; a girl, Shannon, 6 lbs. 8 oz.; March 24.

To **Patricia** and **Kagel Smith**, first officer, San Francisco; a boy, Austin Jensen, 10 lbs.; Jan. 27.

FINANCIAL RESULTS

	Mar. '78*	Mar. '77*	% Change
Operating revenue—scheduled	\$ 26,538	\$ 20,566	+29.0
—charter	899	729	+23.3
Operating expense—scheduled	23,994	18,945	+26.7
—charter	897	661	+35.7
Operating earnings	2,546	1,689	
Non-operating earnings (loss)	(476)	(379)	
Provision for taxes	866	74	
Net earnings	1,204	1,236	
First quarter*			
Operating revenue—scheduled	\$ 73,500	\$ 57,002	+28.9
—charter	2,286	1,892	+20.8
Operating expense—scheduled	68,065	54,883	+24.0
—charter	2,237	1,786	+25.3
Operating earnings	5,484	2,225	
Non-operating earnings (loss)	(1,093)	(1,014)	
Provision for taxes	1,766	74	
Net earnings	2,625	1,137	

FINAL 1977 RESULTS*

	1977	1976	% Change
Operating revenue—scheduled	\$246,986	\$198,850	+24.2
—charter	7,000	3,312	+111.4
Operating expense—scheduled	231,272	192,761	+20.0
—charter	6,769	2,728	+148.1
Operating earnings	15,945	6,673	
Non-operating earnings (loss)	(3,696)	(1,629)	
Provision for taxes	2,845	1,400	
Net earnings	9,404	3,644	

*All data in thousands (add 000)

J. J. Kane, R. E. Thiel new attorneys in labor relations, regulatory affairs

Two attorneys have joined the company—John J. Kane as director of labor relations and Robert E. Thiel as a regulatory affairs attorney. Both are based at international headquarters.

Kane, 37, had been flight labor relations director with Eastern Airlines in Miami since 1975 and was equipment negotiations manager with TWA in Kansas City in 1973-75.

He received his BA degree in economics and business administration at Drury College in Springfield, Mo., and law degrees from the Columbia and Kansas City campuses of the University of Missouri.

Thiel was with a San Antonio, Texas, law firm where his responsibilities included representation of Southwest Airlines. Before that, he was with the Texas Aeronautics Commission as a transportation analyst, hearing examiner and law clerk.

He was graduated from Vanderbilt University in Nashville and received a master's at the University of Virginia and his law degree from the University of Texas, Austin.

Thiel, 34, served in the U.S. Air Force in Vietnam as a flight facilities and air traffic control officer.



Kane



Thiel

TRANSITION

WELCOME ABOARD

Owen Gladfelder, Ward Conger, Richard Harris, Charles Digges, Wallace Majure and James Bettner, second officers, Phoenix. James Wilkening and John Patterson, first officers, San Francisco. Thomas Kassing and Scott Brooks, first officers, Phoenix. Barbara McGowan, clerk typist, purchasing, San Mateo. Sandra McClure, Joseph Racanelli, James McDowell, Ella Stevenson, Eva Szabo, Joan Allen and Alice Allen, telephone sales agents, Seattle. Sharon Rouyer, telephone sales agent, Phoenix. Marina Pissak, Lynn Curry, Anthony Taurosa, Marilyn Fenneman and Billie Dahstrom, junior revenue accounting clerks, San Mateo. Leticia Suffle, Barbara Miller, Valerie Jackson and Diane Ballesteros, telephone sales agents, Los Angeles. Gerald Schotter, station agent, Yuma. Elissa Tannen, Donna Zagorski, Sylvia Aguilar and Nancy Bahouth, telephone sales trainees, Los Angeles. Cinderella Cuthbert, personnel, and Deborah Mounts, maintenance specifications, clerk typists, Phoenix. Virginia Smith, secretary, labor relations, San Mateo. Jack Ramm and James Wilson, hangar maintenance technicians, Phoenix. Franklin Byers, senior buyer, San Mateo. Pamela Beatty, employment representative, San Mateo. Cary Theall, programmer, Phoenix. Larry Love, draftsman, Phoenix. Phillip Hendrix, cleaner, Las Vegas. Maryann Dantonio, crew scheduler, Las Vegas.

PROMOTIONS

Walter Hodge to telephone sales instructor, Phoenix. Linda Stephens to word processing supervisor, Phoenix. John Klipfel to Bay Area aircargo account executive, San Jose. Roger Smith to hangar maintenance supervisor, Phoenix. John Dwight to assistant telephone sales manager, Los Angeles. Melvin Hayes to chief station agent, San Francisco. Ernest Horton to chief station agent, Phoenix. Harold Ogle to chief station agent, Burbank. Norman Wood to maintenance supervisor, engine shop, Phoenix. Charles Dittrich to chief station agent, San Francisco. Donald Maddock to component overhaul technician, Phoenix. Calvin Carlson to lead maintenance technician, Las Vegas. William Sandigo to lead hangar maintenance technician, Phoenix.

RETIREMENTS

Don Pingree, maintenance assistant manager, Seattle, after 25½ years with the company. He joined West Coast in Boise in 1952 and was promoted to inspector in Seattle in 1959, foreman in 1966 and assistant manager in Portland in 1969. Valerie Robinson, flight attendant, Las Vegas. She joined the company in 1971.

Benefit statements coming

Expanded individual benefit statements for 1977 will be mailed to employees' homes early in June.

To be sure yours reaches you, please check the address on the back page of this publication.

If it is not correct, complete form 0306, available from your supervisor. Flight attendants and pilots should return the form to their domicile office. All others should submit it to the personnel records office, San Mateo.

IN MEMORIAM

Augusta Bunn, mother of Paul Winford, quality control supervisor, Phoenix; March 14.

Ruth Hickey, mother of Pat Harris, flight records administration manager, San Mateo; March 17.

Regina Law, daughter of Jesse Law, chief station agent, Orange County; March 22.

Leora Hunter, mother of Erl Therrien, executive secretary, corporate security, San Mateo; March 29.

Gladys Maymo, mother of Edward Maymo, station agent, San Francisco; April 2.



Debbie Davis, Las Vegas flight attendant who died in a motorcycle accident in June 1976, is memorialized by a plaque presented by her parents, Mr. and Mrs. Walter Wolfson of San Jose. It was accepted by Russell V. Stephenson, president. Miss Davis had been with the company two years.

March: charters, cargo also have good month

(Continued from front page) the previous record of 58 set in February of this year.

Average length of passenger journey was at the second highest level—444.6 miles, compared with the record 446.1 in December 1977.

Traffic growth also is attributed to liberalization of our Freedom Fare

restrictions, in January, and making more seats available for this discount.

Traffic far exceeded capacity expansion (available seat miles were boosted only 12.1 per cent), and was reported as "strong" throughout the system.

We carried 2,286 tons of cargo 986,200 miles in March—the second

greatest distance in any month in our history. Cargo mileage was exceeded only by 1.06 million ton miles in December 1977.

Charters shattered records set last October.

Passengers flew 18.6 million charter miles, or 47 per cent more than in March 1977. Live aircraft miles logged jumped 32 per cent to 164,571. (Last October we flew 15.8 million charter RPMs and 149,694 aircraft miles.)

Charter growth, without any additional aircraft, is attributed to increased number of back-to-back charters to Las Vegas, better aircraft utilization (charter ASMs were up 36 per cent) and improved identity in Midwestern cities.

(See Traffic Scoreboard for other performance statistics and a story on ski and Mexico traffic starting on front page.)

TRAFFIC SCOREBOARD

	Mar. '78	Mar. '77	% Change
Passengers	500,730	394,537	+26.9
Revenue passenger miles	222.6 mil.	170.3 mil.	+30.7
Available seat miles	347.6 mil.	310.0 mil.	+12.1
Load factor	64.0%	54.9%	
Passenger density	61.2	51.2	+19.5
Average trip miles	444.6	431.6	+3.0
Cargo ton miles	986,203	849,900	+16.0
Cargo tons boarded	2,286	1,972	+15.9
On-time performance	83.7%	84.9%	
Charter passengers	15,519	17,264	-10.1
Charter miles flown	164,571	125,112	+31.5
First quarter			
Passengers	1,383,660	1,094,683	+26.4
Revenue passenger miles	610.8 mil.	472.3 mil.	+29.3
Available seat miles	999.4 mil.	880.4 mil.	+13.5
Load factor	61.1%	53.6%	
Passenger density	58.4	49.8	+17.3
Average trip miles	441.4	431.4	+2.3
Cargo ton miles	2.67 mil.	2.31 mil.	+15.3
Cargo tons boarded	6,238	5,364	+16.3
On-time performance	79.8%	80.6%	
Charter passengers	37,888	45,242	-16.3
Charter miles flown	412,807	336,148	+22.8

FIRST QUARTER YEAR-TO-DATE 727 PERFORMANCE

	1978	1977
Scheduled service*		
Passenger boardings	72,835	**47,674
Load factor	67.2%	62.7%
Density	104.2	97.1
Average trip miles	820	967
*Presently YEG-YYC-LAS-LAX/PHX		
**1/15-3/31/77 only		
Charter service		
Passenger boardings	17,517	14,687
Charter miles flown	185,119	142,882
Average trip miles	1,446	1,119

The 'saints' of aircraft appearance



Manuel Vazquez



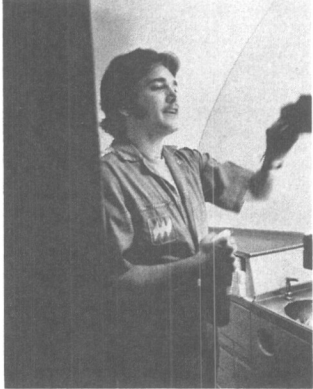
Jeannine Shew, Jim Kinamon, Frank Cox and Frank McDonnell



Robert Angst



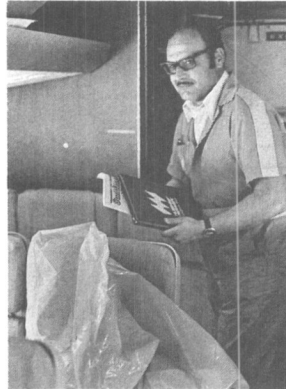
Barbara Potter



John Walker



Lena West



Narciso Fernandez



Martin Clem

If "cleanliness is next to godliness," our 98 cleaners might be called "saints" of the company's aircraft appearance program.

It involves collection of an estimated one million large plastic bags of garbage and use of 10,000 gallons of cleaning chemicals and scores of scrub brushes each year—and much more.

Formal appearance procedures—systemwide standardization and extensive monitoring—were begun early in 1975 with the hiring of Martin Clem as appearance supervisor. He's based in Phoenix but on the road more often than not.

"Aircraft appearance is very important to our passengers," he said. "They can't see the fine way we keep our planes in shape mechanically, but a clean aircraft gives them confidence in its soundness, in addition to making flying more pleasant."

Aircraft cleaning is concentrated in cities where cleaners are based. These stations vary due to flight schedule changes and where aircraft overnight, but currently there are nine—Phoenix, Las Vegas, Seattle, Los Angeles, San Francisco, Orange County, Salt Lake City, Boise and Tucson.

At these stations, some 80 men and nearly 20 women perform an extensive list of tasks. Interior work follows one of three procedures, governed also by the number of aircraft that must be cleaned in a given amount of time (see "check sheet" below):

- "20/30 turnaround" on aircraft on the ground 20 to 30 minutes;

- "Extended turnaround" for those remaining more than half an hour; or
- "RON" on aircraft remaining overnight.

Even more extensive cleaning, including stripping and painting, is done during C checks in Phoenix.

Crews work nightly on interior washing of assigned sections in six cities—Seattle, Tucson, Boise, Las Vegas, Orange County and Phoenix. Each has responsibility for washing one part of the aircraft which are overnighting—walls, ventral stairways, entry doors, center portion of ceilings, curved portion of ceilings and interior of overhead racks or the underside of racks.

With this coordinated procedure, each aircraft is thoroughly washed about every 15 days, according to Clem.

That's just the interior.

Exteriors are washed at selected cities, generally Seattle, Las Vegas, Los Angeles, Orange County, Phoenix and San Francisco. Aircraft are scheduled for partial exterior cleaning (from the top of the windows down) every five to seven days and a full wash every 30 days.

"Where and how extensively tasks are completed is flexible," according to Bob Walker, maintenance director. "It has to depend on flight schedules, man-hours available and number of aircraft on the ground during any given time of day, all of which may vary from day-to-day."

Clem frequently visits all cities where cleaning work is done to advise on such things as procedures and materials.

To monitor the actual work, he boards in-coming aircraft at various stations throughout the system. By doing this, he can check every aircraft and the work from each station several times a month.

He reports discrepancies to the appropriate maintenance supervisor for follow-up.

But in January, for example, more than 90 per cent of the arrivals Clem boarded got his full approval—he couldn't find anything wrong. (When a station rates a low percentage of approvals, the supervisor is assisted in taking remedial action.)

"Ninety per cent approval is quite a tribute to our cleaner staff," Clem pointed out.

Aircraft appearance is standardized—in manuals, procedures, materials and equipment—throughout the system.

Clem said flight crews are behind the program "100 per cent." "We hear from them constantly—good and bad. They appreciate what the cleaners do and their input is very helpful."

Pictured are cleaners in several of the nine cities. Following is a list of all 98:

Boise
Jane Mankin, Shelia McLeod and John Smith.

Las Vegas
Joe Bell, "Burney" Burney, Pete Coleman, Ray Cordrey, Mike Courtney, Fred Di Lu, Mark Estrada, "Fenstermaker" Fenstermaker, Raul Goncalves, Dave Graham, Steve Hall, Frank Haney, Phil Hendrix, Charley Hobbs, Blas Lohner, Opal Moncrief, Rick Towery, Narda Walters, Bruce Wickberg, Mike Wickert and Terry Woodward.

Los Angeles
Carlos Albor, Narciso Fernandez, Terry Lipke, Ray Pedraza, George Plasencia, Berto Soberon and Manuel Vazquez.

Orange County
Joe Alegria, Charlotte Carrico, Frank Cox, Jim Kinamon, Gloria Mannisto, Frank McDonnell and Jose Padilla.

Phoenix
Leads: "Grif" Griffin, Jim Marsh, Shirley Rhead and Ed Tennyson. Robert Angst, Dave Arganbright, Dave Bailey, Mel Bartz, Dennis Cayton, Sal Chavez, Dick Clark, Don Corbin, Jim Hensley, Fred Ludwig, Russ Mattern, Don Mize, Ellis Nielson, Chet Olson, Bill Padgett, Ed Perkins, John Rouse, Juan Salcido, Jeannine Shew, Marion Smith, Early Strong, John Walker, Bob Williams, "Woody" Wood, Way Wright and Jim Yontz.

Salt Lake City
Faye LeFevre, Kathy Pope and Eric Sechrist.

San Francisco
Ray Booth, Willie Booth, "Christie" Christie, Eddie Coleman, Rick Fagan, Margaret Gayan, Fred Moulds, Frank "Junior" Pack, "Robbie" Robinson and Marilyn Silva.

Seattle
"Brown" Brown, Doug Dansereau, Jan Hill, Young Huh, Ron Lawrence, Tom Lynch, Brad Olson, Barbara Potter, Betty Quealey, Kee Record, Chris Richter, Lena West and Bart Whalen.

Tucson
Russ Benson, Craig Bowers, Rob Semones and Ponce Valenzuela.



"AIRCRAFT INTERIOR APPEARANCE CHECK SHEET" - DC-9 AIRCRAFT 727

Date	A/C No.	A/C Type	Station	Signature
Step No. 1 - Lavatories				
1	Empty all refuse containers and ash trays, and remove trash from inside lavatory bins.	X	X	X
2	Scrub floor, and remove dirt and trash.	X	X	X
3	Wash, rinse, and dry walls, ceiling, doors, lavatory lid, seat, forward and aft.	X	X	X
4	Clean mirror, sink and all drainage surfaces.	X	X	X
5	Scrub floor, rim and dry with clean rag.	X	X	X
6	Check and fill soap dispenser (DC-9) for Soap on 727.	X	X	X
7	Remove supplies, air not containers, mirrors, sanitary napkins, toilet and women's toilet tissue and towels.	X	X	X
8	Service lavatories with De-Oiler.	X	X	X
Step No. 2 - Main Cabin				
1	Remove all refuse from magazine storage, chest, cabin floor, seats and overhead racks.	X	X	X
2	Scrub floor and walls to clean.	X	X	X
3	Remove all magazines to rack, and reorganize magazines.	X	X	X
4	Check for the use of seats, perform the following, working progressively to the rear row of seats:	X	X	X
5	1. Disinfect all seat backs.	X	X	X
6	2. Empty ash trays.	X	X	X
7	3. Remove all refuse from seat pockets.	X	X	X
8	4. Reposition each seat pocket with the required literature:	X	X	X
9	1 Flight Safety Information Card (IFAC) required	X	X	X
10	1 Seat Disinfect Card	X	X	X
11	1 Air Sickness Container	X	X	X
12	2 Current Destination Magazines	X	X	X
13	5 Clean pens in seat (wash and dry)	X	X	X
14	6 Wash and dry side of seat, rest to aft.	X	X	X
15	7 Clean tray tables down, washing and drying top and sides, and tray safety latch, including overhead trays.	X	X	X
16	8 Wipe cleaning fluid on seats, clean the recessed area for the tray table and create trim around the seat, and the tray table supports.	X	X	X
17	9 Clean and wash tray table. Wash and dry bottom of tray table.	X	X	X
18	10 Wash window and window shades.	X	X	X
19	11 Clean O-2 storage bins and clean smokes from along 727.	X	X	X
20	12 Straighten seat belts, placing them parallel to seat bottom, with belt buckle 90° left.	X	X	X
21	13 Progress to next row of seats, and repeat steps one through 12, until all rows are complete.	X	X	X
22	14 Repose added seat covers. As required.	X	X	X
23	15 Repose overhead covers. As required.	X	X	X
24	16 Align pillows (loosening covers, if required) and blankets in overhead racks.	X	X	X
25	17 Vacuum all seats.	X	X	X
26	18 Disinfect or replace lavatory seats.	X	X	X

NOTE: SIGN OFF ONLY ITEMS COMPLETED.

122 - Terminal Flight
X - Assembly Work

Step No.	Description	REP	EXT	RON	Signature
Step No. 3 - Galley					
1	Empty all waste containers.	X	X	X	
2	Wash, rinse and dry all waste containers.	X	X	X	
3	Use all waste containers with plastic liners.	X	X	X	
4	Wash, rinse and dry storage and hot water dispensers.	X	X	X	
5	Place waste containers in storage area.	X	X	X	
6	Remove supplies, and wash, rinse, wash and dry storage compartments.	X	X	X	
7	Scrub interior of all buffet compartments, doors, door tracks, garbage chutes, and exterior surfaces and walls with clean rag.	X	X	X	
8	Scrub interior and exterior of refrigerator.	X	X	X	
9	Clean coffee maker from inside. Pull dry with clean cloth.	X	X	X	
10	Scrub coffee maker and sink.	X	X	X	
11	Scrub rubber entry mat and floor. Dry with rag. Use water sparingly.	X	X	X	
12	1. Repose literature: WIPAC Toilet CEL-FIBER 1710 Shower Marking Tape, 3" Wash and dry single tray tables.	X	X	X	
13	2. Service portable water system.	X	X	X	
14	Wash and dry single tray tables.	X	X	X	
Step No. 4 - Cockpit					
1	Empty ash trays, waste containers and cup holders.	X	X	X	
2	Remove all trash from seat pockets and floor.	X	X	X	
3	Brush bin and dust from instrument panels (use soft 3.0" beam brush only).	X	X	X	
4	Clean and dry seat covers.	X	X	X	
5	Clean unobstructed windows, inside and out.	X	X	X	
6	Wash and dry walls and doors, including the door hinge.	X	X	X	
7	Check seat cushions, and replace, if required.	X	X	X	
8	Place on Seat Can No. 2020 in seat pockets.	X	X	X	
9	Scrub and dry cockpit floor base water spilling.	X	X	X	
10	Adjust seat mats, crew seat belts, and position shoulder harness.	X	X	X	
Step No. 5 - Storage Compartment					
1	Remove all refuse from bins.	X	X	X	
2	Scrub entire compartment.	X	X	X	
Step No. 6 - Final Inspection					
1	Lead cleaner, lead technician, or supervisor on duty to inspect the aircraft, to insure all items have been completed with quality workmanship. If the inspection is satisfactory, he will sign off the Aircraft Appearance Check List.	X	X	X	

Signature

growth, on-time performance in fourth quarter

Hughes Airwest also was an industry leader in aircargo in 1977, according to recently-compiled figures.

Our air freight ton miles grew at an 18.8 per cent rate compared with 1976—faster than any other trunk or regional airline.

This compared with an average growth of 6.6 per cent for the regionals and 5.7 for trunks.

Runner-up among the 19 carriers was Western with a 16.9 per cent rate. Two other competitors, Continental and American, came in under 15 per cent. United's rate was among the lowest at 3.3 per cent and Northwest's miles declined 3.8 per cent.

Bob Donahue, cargo and military sales director, reported that we also led the regionals in total aircargo

growth (air freight plus mail and express) and led the entire industry in rate of growth in billings through Air Cargo, Inc. for door-to-door pickup and delivery service.

Hughes Airwest aircargo has grown every month for more than two years, compared with the same months in previous years.

Last year, we had our first million ton mile month in total aircargo (December) and it was the first year we exceeded the ten million revenue ton mile mark.

Los Angeles became the first station to exceed \$1,000,000 in air freight revenue.

On-time

Aviation Daily compilation of CAB figures indicate that we had the best on-time performance (79.23%) of any of the 19 carriers in the fourth quarter of 1977.

For the entire year, Hughes Airwest was third with 81.23 per cent, behind only TWA (83.75%) and American (83.01%).

These figures are based only on performance in the top 200 markets in the nation and flights arriving within 15 minutes of schedule.

(On-time performance reported monthly in this publication are for all of our flights based on departure within 15 minutes. Calculated in that manner, our on-time was actually 82.9 per cent last year.)

For November, the CAB reported that the best of the 200 markets was Orange County-Las Vegas at 92.6 per cent. Sixth and seventh best were Orange County-Phoenix (88.8%) and Burbank-Las Vegas (88.4%).

All three markets are served by us exclusively.



Hughes Airwest re-introduces the word passengers love to hear most.

Yes. A New Motto. At Hughes Airwest, you'll hear it from all of us. From our ground crews. From our flight crews. We're saying it everywhere we fly.

But "Yes" is more than just a word to us. It's an attitude. An attitude that people notice. And appreciate.

An attitude that's winning more and more people over to our side. Last year alone, we flew nearly 20% more passengers than in any other year in our history. And we're going to keep winning passengers by saying "Yes" in more new ways than ever before.

Yes. New Routes. We're expanding our horizons. Starting July 15, we'll be flying to Milwaukee and Des Moines. And later this year, to Mexico City.

Yes. New Fares. One of the nicest ways to say "Yes" to our passengers is with a 30% discount. Our new Yes-for-less Fares. Yes-for-less Leisure Fare: 7 day advance purchase, stay at least one Saturday night and up to 30 days. Seats are limited. (Not good to Canada, Mexico or for intra-California travel when ticketed in California.) Yes-for-less Commuter Fare: special off-peak flights discounted with no restrictions.

Yes. A New Look. We're re-doing our cabin interiors. Everything will be beautiful. And practical—like new roomy overhead racks on our DC-9-30's. We've even got new uniforms for our flight attendants—our "Yes" people.

So take a new look at us. You'll be surprised at what the power of a positive attitude is doing. And re-introduce your clients to the word they love to hear most. "Yes" On Hughes Airwest.



Hughes Airwest Top Banana in the West.

Employees throughout the system were introduced this month to the company's new "Yes" advertising campaign, to be kicked off May 15. Above is a version of trade publication advertisements using the theme. Pictured are employees (from left): Debra Jones, flight attendant; Jack Furrer, captain; Richard Ames, first officer; and Jackie Reeves, flight attendant.

SKI, MEXICO TRAFFIC . . . (Continued from front page)

market development manager.

"Apparently skiers wanted to wait and see what the snow conditions looked like before making definite plans. We sold a lot of individual packages," he said.

Mexico

Our traffic to the resorts of Mexico has jumped 40 to 50 percent and more throughout the peak season.

In March, we carried 14,295 passengers across the border on three daily

flights—only 101 fewer than the all-time record set in March 1975 with four flights and 40 per cent more than in March of last year.

Traffic grew at a faster rate than any of the other six airlines serving Mexico in January (the most recent comparable figures available). Our boardings and revenue passenger miles jumped about 56 per cent compared with January 1977.

(Braniff's Mexico growth rate was second at about 37 per cent. Western, our biggest competitor, showed RPM growth of less than 11 per cent with a boarding increase of only 7.3 per cent.)

January Mexico load factor (percentage of seats filled) jumped to 70.1 per cent—higher than any of the other airlines—from 47 in January 1977. Available seat miles were boosted only 5 per cent.

We flew 8.4 per cent of the U.S. airline traffic to Mexico compared with 6.2 per cent last year. Western's share dropped to 20.9 per cent from 22.4.

"This turnaround began during last summer's off-peak season," according to Margie Gostyla, Mexico product development manager.

She attributed the growth to many factors, including:

- A new attitude of the Mexican government toward tourism;
- Our introduction of group 15 fares in August, since matched by other airlines;
- Group sales efforts by field sales employees;
- Establishment of advertised group departures by wholesalers;
- Comprehensive tours with instant confirmation on many programs (sale of tour packages were up 54 per cent in the first quarter); and
- Familiarization of travel agents (who handle 80 per cent of our Mexico transactions), through trips, seminars, up-date information, a Mexico guide, hotel profiles and movies.

TOP BANANAS . . .

(Continued from front page)

The trophy, for mention in five complimentary letters from customers, has now been awarded to 104 employees.

Exactly 1,200 have received the pin for the first compliment. The latest recipients are:

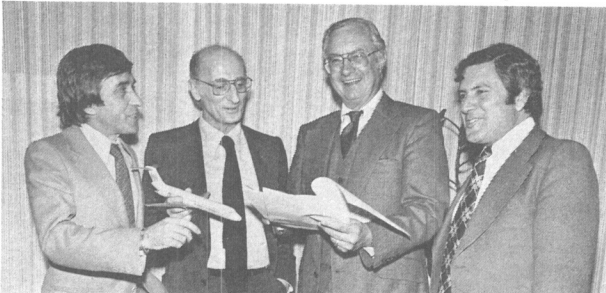
Deborah Beach, Janet Berggren, Susan Blumenthal, LeRoy Burnell, Noel Carlson, Herb Chesney, John Cullen, Mary DeLaney, Madeline Dolk,

Lillian Eiring, Robert Flores, Vicki Gawthrop, Y. S. Gomez, Mike Gorey, George Gragg, Margaret Gregory, Pamela Grier, Colleen Gustaferrero, Deborah Haag, Manolo Hendershot, Jorge Hernandez, Curley Horton,

Bette Johnson, Sachiko Kurashige, Walter Mayo, Mary McArthur, Steven McCray, Henry Moltzen, Maria Munoz, Martin Olsen,

Tracy Pang, Ray Pedersen, Dwight Peterson, Roberto Ramirez, Nancy Reid, Larry Robinson, Ronald Serio, Marcee Sherwood, Bruce Streetman, Rita Voermans, Diana Welch, Robert West.

Bigger Club Med Mexico contract signed



Top executives of Club Mediterranee recently visited international headquarters to kick off an expanded Mexico travel program to Puerto Vallarta and Manzanillo for their Playa Blanca guests. Discussing the agreement with Russell V. Stephenson (second from right), president, are Club Med officials: Jacques Ganin (right), president, New York; and (from left) Daniel Hautefeuille, operations manager, New York; and Francois Becker, transportation director, Paris. The new \$1.5 million contract includes weekly DC-9-30 charter flights between Los Angeles and Manzanillo starting May 6 through October and blocking of 90 seats each Sunday through the end of the year on scheduled flights linking San Francisco, San Jose and Phoenix with Puerto Vallarta. Club Med, a worldwide resort operator, has been blocking 60 seats for the past two years and using more than 90 per cent of them. The charters are marketed by American Express.

Security names safety manager—James E. Swartz

James E. Swartz has joined us as safety manager, based in San Mateo.

He had been with Ozark Airlines in St. Louis since 1973, most recently as safety and security supervisor.

Swartz, 30, is a member of the Air Transport Association's industrial safety and health committee and National Safety Council's air transportation section executive committee.

He received a BS degree from the University of Wisconsin in Whitewater and a master's in safety at the University of Missouri. He also has attended the Department of Labor's occupational safety and health institute.

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International Airport
San Francisco, Calif. 94128

Published for employees and families by the Public Relations Dept. (415) 573-4747 (SMT)
Editor: Ralph W. Henn, Employee Publication Mgr.

Employe change of address: If you move, complete form 0306, available from your supervisor.

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