

## Profit almost triples in first half

Net profit reached \$5.3 million for the first six months of 1978—up 186 per cent from \$1.8 million in the first half of last year.

Russell V. Stephenson, president, said the improved financial position so far this year will partially help finance new aircraft and other capital equipment to support projected service to new destinations in the U.S. and Mexico.

Operating revenues increased nearly 28 per cent to a six-month record of \$152.5 million from \$119.4 million.

Operating expenses were up more than 23 per cent to \$142.4 million from \$115.4 million.

The six-month earnings were the second highest in our history, exceeded only during the fuel crisis in 1974 when net profit totaled \$6.6 million in the first half.

During the second quarter (April-June) of this year, operating revenues jumped 27 per cent to \$76.7 million from \$60.5 million in the second quarter of 1977, operating expenses were up 23 per cent to \$72.1 million from \$58.7 million and net profit rose 274 per cent to \$2.7 million from \$710,000.

(See *Financial Results* inside.)

## Thirteen trijets by 1980—board approves order of four

The board of directors, on July 18, approved purchase of four additional 727-200s which were on option, subject to final negotiations with Boeing. These bring the total to 13 by the end of 1980. It also approved lease or purchase of up to three 727-100s.



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Hughes Air Corp.

August 1978

# Pilots, company reach unique pact increasing maximum hours

A labor agreement unprecedented in the airline industry has been signed by the Air Line Pilots Association and the company.

It increases the maximum monthly flying hours for pilots to 85 from 75, on an optional basis. Since the founding of ALPA in 1931, maximum flying hours have been decreasing instead of increasing in contracts with U.S. airlines.



"The agreement is an indicator that management and our pilot group, represented by ALPA, have identical objectives regarding the future competitive environment which affects the viability and stability of our company," said Russell V. Stephenson, president.

"The increase in flying hours will place us on a more competitive basis with potential new competitors and we will be able to expand more rapidly within the current regulatory reform atmosphere," he said.

William J. Lea, Las Vegas captain and chairman of ALPA's master executive council, said the pilots recognize that the "expansion of Hughes Airwest is mutually desirable under the present economic climate."

Nearly 660 pilots will be affected by the new interim agreement, which actually is an amendment to the current pilot's contract. When pilots chose to fly extra hours, their pay also increases.

William J. Lea (seated right), representing our pilots, and Russell V. Stephenson, president, sign the agreement. Watching (from left) are: Edwin N. Altman, operations vice president; Gene Malm, flight operations staff vice president; and Jack Kastien, flight administration director.

## Caution: don't put down a Top Banana

A Nevada politician has learned the hard way that insulting Top Bananas can be slippery.

State senator Bill Hernstadt had been editorializing against Hughes Airwest service for months on his Las Vegas KVVU-5 television channel. But when he referred to employees as "turkeys," they said "enough's enough!"

This final blow was part of a May editorial on air fares. Hernstadt claimed Western Airlines had "led the way" in reducing fares on Los Angeles-Las Vegas routes and therefore recom-

ommended "flying Western and not Hughes Airwest."

(We filed our 30 per cent discount proposal in late February. Western applied for similar reductions in mid-April. Both became effective June 1.)

The response was led, without company involvement, by Chuck Fallon, chief station agent, Irate Las Vegas employees and flight crew members from other cities contributed more than \$1,400 for a "war chest." A rally to explain the campaign was attended by more than 200 and reported by the

Las Vegas Sun.

The group bought a full-page advertisement in the Sun (see inside) on June 17.

Hernstadt later apologized to the "lower-level employees with whom I have no beef and who try hard to please the public." Fallon then wondered whether "he sees us just lower-level turkeys?"

(Continued inside)

### Summa senior v.p.

## Phillip P. Hannifin joins company's board of directors

Phillip P. Hannifin of Las Vegas, senior vice president of Summa Corporation and a member of its board of directors, has been elected to Hughes Airwest's board of directors.



Hannifin

Before joining our parent company in 1977, Hannifin served for seven years as chairman of the Nevada State Gambling Control Board.

As the top executive in Summa's

recreation group, he is in charge of hotel and casino operations at the Desert Inn, Sands, Frontier, Castaways and Silver Slipper in Las Vegas and at Harolds Club in Reno.

Hannifin graduated from the University of Nevada at Reno in 1957 with a bachelor's degree in business administration.

In other recent board action, John S. Meadows and David B. Armstrong were elected assistant secretaries of the corporation. Meadows is Washington, D.C. affairs staff vice president and Armstrong is regulatory law director.

Arthur M. Taylor was named vice president-general counsel. He was vice president-legal and will continue to serve as corporate secretary.

Other re-elected officers are: Russell V. Stephenson, president and chief executive officer; Edwin N. Altman, vice president-operations; Terry R. Ashton, vice president-corporate planning; George M. Scotch, vice president-controller; Harry W. Swenson, vice president-finance and treasurer; C. S. (Kip) Wharton, vice president-sales & service; Ernest R. Koenig, assistant treasurer; and Jed T. Orme, corporate legal senior director, as as-

## Start-up events for Midwest inaugural scheduled

Hughes Airwest will inaugurate service to its first new U.S. destinations in 10 years on Sept. 6.

The eastbound flight to Milwaukee and Des Moines will depart Orange County at 7:40 a.m. and Phoenix at 9:05 a.m. It will arrive in Des Moines at 1:42 p.m. and Milwaukee at 3:14 p.m.

Westbound flights will leave Milwaukee at 4:45 p.m. and Des Moines at 6:20 p.m. and arrive in Phoenix at 6:59 p.m. and Orange County at 8:41 p.m.

Pre-inaugural events have already begun.

Utilizing a charter aircraft, we took 100 Milwaukee restaurateurs and food executives on a 90-minute dinner flight July 28. It was preceded by a tour of our local food caterer, Barco, where the group observed meal preparation using our unique Aladdin temperature-controlled system.

Upcoming events include:

- A pre-inaugural flight from Milwaukee and Des Moines to Phoenix for 100 business and civic leaders, media representatives and travel agents, August 29-30.
- Two 45-minute flights for 250 underprivileged Milwaukee children on Aug. 31.
- Ribbon-cutting ceremonies on Sept. 6 in Phoenix, Milwaukee and Des Moines, marking the first direct links between the cities.

## Ready to fly . . . nonstop



First flight is signified by the Las Vegas crew and Los Angeles telephone sales agents, dressed as Canadian mounties, as we began nonstop service linking Los Angeles with Calgary July 15. From left are: Valerie Laven and Betty Anderson, flight attendants; Steve Ashford, first officer; Dona Mariano, telephone sales agent; Don Isberner, captain; Maggie Deacon, telephone sales agent; and Donna Ullman, flight attendant. Crew for the Edmonton inaugural nonstop, which left 25 minutes after the Calgary flight, included: Rennie Iarussi, captain; Greg Carr, first officer; and Steve Clayton, James Hill and Bridget Rose, flight attendants. (More photos inside.)

## SERVICE ANNIVERSARIES

(July and August)

### THIRTY YEARS

PORTLAND—David Taylor, maintenance technician. LAS VEGAS—David Doak, captain. SAN MATEO—Charles Tallant, dispatcher. SAN FRANCISCO—Angelo Spandrio, maintenance technician. Jack Furrer and Harry Spear, captains.

### TWENTY-FIVE YEARS

PHOENIX—Jack Wilson, station agent. SAN FRANCISCO—Robert Lindenberg, captain. SAN MATEO—Russ Fields, station services manager.

### TWENTY YEARS

SACRAMENTO—Friedrich Krebs and Ronald Caldas, chief station agents. Kenneth Visscher, station agent. LOS ANGELES—Joseph Namhie, chief station agent. LAS VEGAS—William Hunter, maintenance technician. SAN FRANCISCO—Thelma Farias, stock clerk. Herbert Sturtevant, maintenance technician. Joseph Yonan, captain. PHOENIX—Stanley Kohnhorst, chief station agent. Pete Lohnes, station manager. Robert Clampitt, lead avionics technician. SAN MATEO—Jim McGill, telephone sales agent.

### FIFTEEN YEARS

TUCSON—Thomas Jarvis, station agent. SEATTLE—George Fakhouri, telephone sales agent. Raymond Severin, maintenance technician. Barbara Potter, cleaner. BOISE—Robert Zerr, maintenance technician. SALT LAKE CITY—Jess Evans, station agent. PORTLAND—Theodore Hellyer and Donald Sailer, maintenance technicians. LOS ANGELES—Christiaan Anten, lead maintenance technician. LAS VEGAS—Larry Booth, chief station agent. Mary K. Peterson, flight attendant. PHOENIX—Margaret Gilliland, telephone sales agent. Kathleen Franz, chief telephone sales agent. Gary Mason and Ira Harvey, quality control technicians. Gust Ballas, stock clerk. Joseph Cafiero and Lafi Tulefano, component overhaul technicians. SAN FRANCISCO—Carl Lauterbach, stock clerk. SAN MATEO—Beverly Boyle, telephone sales agent. Chuck Gillespie, operations assistant. SACRAMENTO—Lester Wilson, station agent.

### TEN YEARS

SEATTLE—Sharon Johnson, Linda Sadler-Patterson, Anne McEntegart and Betty Bassett, flight attendants. Pamela Harlan, Sandra Marsh, Kathryn Takisaki, Zoe Allen, Trudel Reed and Janice Zerone, telephone sales agents. Ronald Miller, Verle Myrick, Frank Walker and Charles Adder-  
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## HEIR FARE

To the Buskirks, Kathy, flight attendant, and David, district sales manager, Phoenix: a boy, Nicholas David, 8 lbs. 10 oz.; July 5. Grandson of Joe Buskirk, captain, and nephew of Dan Buskirk, first officer, both Las Vegas.

To Diane and Ernie Horton, chief station agent, Phoenix: a girl, Jillian Marie, 7 lbs. 11 oz.; May 19.

To Dennis and Maritza (Sunny) Dolan, flight attendant, San Francisco: twins, a girl, Rebecca, 6 lbs. 5½ oz., and a boy, Robert, 6 lbs. 2 oz.; May 6.

To Donna and E. J. Hillstrom, chief station agent, Phoenix: a boy, Tyson Joel;



Twenty-two flight attendants and two new flight attendant assistant managers completed training and were graduated July 12.

They were introduced by Jeanne Koreltz, flight attendant training supervisor, pinned by Kathie Stewart, instructor, and received their diplomas from Carol Wade, training coordinator.

Guest speaker was Julie Holtry, inflight services senior director. Also participating was Dottie Smith, flight attendant training director.

Robert Smith, previously a Frontier flight attendant, was validictorian.

Pictured are (kneeling, from left, with hometown): Robert Smith, Phoenix; Rich Kunkel, Redwood City, Calif.; Bill Armour, Oakland; John Peterson, Tahoe City, Calif.

Second row: Carol Wade, Jeanne Koreltz and Kathie Stewart; Patsy Wu, Foster City, Calif.; Sue Aigner, Seattle; Michele Martin, assistant flight attendant manager, San Francisco (previously a McCulloch Intl. supervisor); Marilyn "McGee" Bancroft, assistant manager, Phoenix (a former American flight attendant).

On the stairs, from left bottom: Tamra Culpepper, Oakland; Kay Edwards, Phoenix (wife of the late Warren Edwards, Phoenix first officer); Michelle Parperin, Anaheim, Calif.; Maurine Dacharme, Los Gatos, Calif. (daughter of Woody Reynolds, flight operations special assistant); Katherine Kiper, Cupertino, Calif.; Julie A'Hearn, West Covina, Calif.; Judy Kiel, Los Gatos, Calif. (former TIA flight attendant); Brooke Smith, Belmont, Calif.; Terry Marsh, Coeur D'Alene, Ida.; Cheryl Nakasone, Valinda, Calif.; Sherry Scott, Burlingame, Calif.; Kandice Grosnick, Bellevue, Wash.; Peggy Romero, Hayward, Calif. (former TIA flight attendant); Robin Wearley, Canoga Park, Calif.; Jolee Gorey, Riverside, Calif.; and Jane Ruder, previously a Hughes Airwest station agent in Salt Lake City.

Aigner, Grosnick and Marsh were assigned to the Seattle domicile. All others were assigned to Las Vegas.

## IN MEMORIAM

Walter Tubb, retired Phoenix captain; July 1. Joined Bonanza in 1949; retired in April 1976. He was 62.

Kenneth G. Woerth, captain, Phoenix, in a private plane crash; July 20. He joined Bonanza as a Las Vegas first officer in 1963. He was 45.

Samuel L. King, supply clerk, Phoenix; July 25. He joined the company in 1968. He was 43.

Awanda M. Brose, wife of Sam Brose, captain, Seattle; July 8.

Jennie Ng, mother of Truman Ng, records retention specialist, San Francisco; June 27.

William Swartz, father of Pat Swart, maintenance assistant manager, Seattle; June 27.

Feb. 27.  
To Herb and Judi Melton, flight attendant, Las Vegas: a girl, Cori Beth, 9 lbs.; Feb. 18. Granddaughter of Dorothy Clark, lead stock clerk, San Francisco.

## Six-month boardings up more than 25 per cent

We flew 507,938 passengers in June—an all-time monthly record.

This is 27.6 per cent more than the 397,957 passengers in June 1977. The previous monthly record was 500,730 set in March of this year.

June's passengers flew 202,663,200 miles—the second highest in our history and 26.2 per cent farther than in the same month a year ago.

Available seat miles were increased 7.9 per cent to 330,843,000.

Load factor (the percentage of seats filled) climbed to 61.3 from 52.4 per cent, while the average density (the number of passengers flying per mile) increased 19 per cent to 58.2 from 48.9 passengers. (Density was at the second highest level ever and load factor was at the fourth. March 1978 holds the records of both.)

## TRANSITION

### WELCOME ABOARD

Teddy Wilson, Frank Valenz and Michael Uva, hangar maintenance technicians, Phoenix. Timothy Keen, Theodore Diebold, Ronald Boucher, Eldon Myers and Richard Wolfkeil, component overhaul technicians, Phoenix. John Palermo, cleaner, Las Vegas. Stanley Olsen, avionics technician, Phoenix. Ellen Smith, cleaner, Phoenix. Joseph Cardenas, station agent, Reno. Tammy Peterson, Patrick Houston, Allan Ruddach, Robert Feltig and Nancy Haden, station agents, Los Angeles. Jacqueline Johnson and James Ballestero, station agents, Burbank. Charles Mayer, station agent, El Centro. Carolyn Farley, ticket agent, Las Vegas. Cheryl Willis and Kathleen Centala, telephone sales agents, Seattle. Janet Edney, telephone sales trainee, San Mateo. Augustus Jones, mail clerk, San Francisco. Norman Gay and Kathy Beeston, clerk typists, word processing, San Mateo. Karen Geithman and Susan Sheldon, junior revenue accounting clerks, San Mateo. Robert Clair, crew scheduler, Las Vegas. Antonina Miller, secretary, stations, San Mateo. Marilyn Gmeiner, clerk typist, production control, Phoenix. Sharon Mainini, secretary, personnel, San Mateo. Dee Dee Layman, clerk typist, station, Spokane. Linda Jacobs, clerk typist, employment, San Mateo. Arthur Jenkins, William Jenney, Michael Mason, Russell Bell, John Mowat, Richard Stevens, Phillip Otanicar, Robin Rothermel, Andrew Jablow, Richard Snellings, Kent Zimmerman, Paul Hollenbach, William Sanford, Gary Quansstrom, Roger Finnern, Adam Brody, Mark Sturgill and William Monize, first officers, Phoenix. Stephen Bowcock, Arlie Hayes, Richard Solomon and Robert Harris, second officers, Phoenix. Michele Martin, flight attendant assistant manager, San Francisco. Carolyn Valla, food service analyst, San Mateo. Laurence Szto, architect, San Mateo. Fred Cellarius, senior buyer, San Mateo. Marilyn Bancroft, flight attendant assistant manager, Phoenix. Lanny Crouch, programmer, Phoenix. Credit Union, Phoenix: Quanda Bollack, teller/receptionist.

### PROMOTIONS

Roy Searcy and Jimmy Wharton to chief station agents, Los Angeles. Janis Scott to  
(Continued on back)

## TRAFFIC SCOREBOARD

	June '78*	June '77*	% Change
Operating revenue—passenger	\$ 22,679	\$ 17,775	+ 27.6
—cargo	1,066	694	+ 53.6
—charter	976	296	+229.7
—other	1,432	1,380	+ 3.8
Total	26,153	20,145	+ 29.8
Operating expense	24,482	19,423	+ 26.0
Operating earnings	1,671	722	
Non-operating earnings (loss)	(573)	(382)	
Provision for taxes	483	21	
Net earnings	615	319	
	<b>Six-month*</b>		
Operating revenue—passenger	\$133,458	\$104,040	+ 28.3
—cargo	5,391	4,082	+ 32.1
—charter	4,676	3,109	+ 50.4
—other	8,983	8,211	+ 9.4
Total	152,508	119,442	+ 27.4
Operating expense	142,407	115,383	+ 23.4
Operating earnings	10,101	4,059	
Non-operating earnings (loss)	(1,025)	(2,092)	
Provision for taxes	3,798	120	
Net earnings	5,278	1,847	
	<b>Six-month</b>		
Passengers	2,838,499	2,260,558	+ 25.6
Revenue passenger miles	1,209 bil.	957.1 mil.	+ 26.3
Available seat miles	2,009 bil.	1,805 bil.	+ 11.3
Load factor	60.2%	53.0%	
Passenger density	57.5	49.3	+ 16.6
Average trip miles	425.8	423.4	+ 0.6
Cargo ton miles	5,709,000	4,841,944	+ 17.9
Cargo tons boarded	13,558	11,129	+ 21.8
On-time performance	84.8%	83.2%	
Charter passengers	74,847	73,169	+ 2.3
Charter miles flown	821,461	511,548	+ 60.6

### Charters

June charter traffic set new all-time records in RPMs and ASMs, breaking previous high marks set in March of this year. RPMs were up 429 per cent and ASMs 256 percent over June 1977.

For the first six months, charter RPMs rose 87.5 per cent.

During that period, Funway Holidays of Milwaukee provided us with more than \$1.5 million in charter revenue. This is believed to be a record amount for one charter operator in that length of time.

### SIX-MONTH '78 PERFORMANCE

	1978	1977
<b>Scheduled service*</b>		
Passenger boardings	135,658	97,588
Load factor	58.3%	52.5%
Density	90.3	81.3
Average trip miles	706	868
*Presently PHX-LAS-YYC/OAK/SJC		
<b>Charter service</b>		
Passenger boardings	45,064	24,513
Charter miles flown	483,859	233,365
Average trip miles	1,452	1,094

\*All data in thousands (add 000).

## Top Banana trophy for eight

Eight flight attendants are the latest employees to be awarded the "Top Banana" trophy for mention in five complimentary letters from customers:

- Connie Bissell, Juanita Deal, Perry Nixon and Joan Smith, Las Vegas; and
- Becky Boaz, Tara Bonamici, David Butterfield and Wanda Hanson, Phoenix.

Nine more employees have received the "Top Banana" pin for their first compliment. They are:

John Arcia, Linda Banner, Phil Bauer, Marco Blasco Hernandez, Bert Britton, Maria Macalpin, Terry Middleton, Grace Van Lonkhuysen, Richard Wilson.

## 25-year employees saluted

Employees who joined the company in 1953 will be honored Sept. 23 at the 25-year Recognition Dinner at the St. Francis Hotel in San Francisco.

In previous years, employees celebrating 30 and 35 years also participated since the annual systemwide event was not held when they reached their 25-year mark.

## 'YES' employees find cause to say 'NO'

(Continued from front)

### AN OPEN MESSAGE FROM THE EMPLOYEES OF HUGHES AIRWEST

THE HUGHES AIRWEST EMPLOYEES ASK YOUR SUPPORT IN THIS CAMPAIGN AGAINST THE EDITORIAL POLICY OF TV 5 AND ITS GENERAL MANAGER BILL HERNSTADT.

WE FEEL MR. HERNSTADT HAS OVERSTEPPED HIS ELECTED POSITION BY USING TV 5 TO VOICE HIS PERSONAL VIEWS WHICH ARE SOMETIMES BIASED AND SLANDEROUS. HIS EDITORIALS DISPLAY AN OBVIOUS LACK OF KNOWLEDGE AND RESEARCH. THE SEVEN HUNDRED AND TWENTY-ONE LAS VEGAS BASED EMPLOYEES OF HUGHES AIRWEST, THEIR FAMILIES AND FRIENDS WILL NO LONGER SIT BACK AND LET THE STATE SENATOR FROM DISTRICT 3 CONTINUE HIS PERSONAL VENDETTA AGAINST US AND HIS CONTINUOUS PUBLIC ATTACKS AGAINST OUR EMPLOYER.

ELECTED OFFICIALS WHO PROMOTE THEIR OWN INTEREST TO THE EXCLUSION OF THE PEOPLE THEY REPRESENT ENDANGER OUR FREEDOM. THOSE WHO CONTROL AN ELEMENT OF THE PUBLIC AIRWAYS AND CONDUCT THEMSELVES IRRESPONSIBLY, PRESENT US WITH EVEN A LARGER THREAT: AN ABUSE OF PUBLIC TRUST COMBINED WITH THE EXCLUSIVE MEANS TO PROMOTE THEIR OWN INTEREST.

SUCH A POLITICIAN RISKS CERTAIN DEFEAT AT THE NEXT ELECTION OR PERHAPS BEFORE. OUR BEST DEFENSE AGAINST SUCH A FLAGRANT ABUSE IS AN INFORMED AND ACTIVE ELECTORATE.

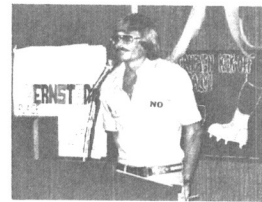
WE SOLICIT OTHER INDIVIDUALS AND ORGANIZATIONS WITH SIMILAR VIEWS TO COME FORWARD.

**THANK YOU.**  
HUGHES AIRWEST EMPLOYEES  
CHARLES FALLON, CHAIRMAN

This appeared as a full-page advertisement in the Las Vegas Sun.



More than \$150 was raised at the kissing booth of the Las Vegas employee rally, dubbed the "Hernstadt Banana Splat": (from left) Donna Kissick, flight attendant; Don Beard, first officer; and Ken Wilson, station agent. There also was a dart board, with the state senator as the target. (Photos by Ron Farrar, station agent)



Chuck Fallon explained strategies of the campaign. The "NO" buttons (with "Hernstadt" in small letters beneath) were worn by employees and in great demand by passengers.

(On June 19, Hernstadt sold all interest in the station to a group which includes Johnny Carson.)

The next goal is "to make sure Hernstadt will not be re-elected" this fall, according to Fallon.

He has met with political strategists and plans to form an employees' Political Action Committee (PAC), chartered with the state.

For now, Fallon and his colleagues are studying Hernstadt's senate floor, voting and attendance records and his stands on aviation issues.

Among those assisting Fallon have been: Carol Nigut, flight attendant; Donna Blanchette, charter coordinator; Helen Robinson, flight attendant assistant manager; and Ron Farrar and Ken Wilson, station agents.

## Alberta-Los Angeles inaugurals



Above—The inaugural Calgary-to-Los Angeles flight crew applauds as Norm Green (second from left), president of the Calgary Chamber of Commerce, is thanked for cutting the ribbon by Syl Hutchinson, account executive. The Las Vegas-based flight crew are (from left): Jeanette Broderick, flight attendant; Howard Farrington, first officer; Teresa Russell and Beth Whitney, flight attendants; and Fred Valentine, captain.

Above left—Celebrants ran into double trouble when giant scissors wouldn't snip two ribbons at ceremonies in Los Angeles marking nonstops to Edmonton and Calgary. Manicure scissors did the job. From left are: Dona Mariano, telephone sales agent; Cliff Moore, general manager, Los Angeles department of airports; Bob Stringham, director, western U.S. operations for Alberta commerce and tourism; Reg Goodman, assistant manager of the Canadian office of tourism; Bill Gerrard, our regional marketing manager; and Maggie Deacon, telephone sales agent. Other telephone sales agent volunteers assisting included Keith Kretzer and Pat Tucker (in a horse costume), Haree Martz and Barbara Miller.

Left—Our first Edmonton-to-Los Angeles nonstop passenger, Joyce Chostner (second from right) of Palm Springs, is greeted by (from left): Tim Hemp, first officer; Dick O'Brien, captain; Barbara Stowell, flight attendant; Cary Pawluk, tour development manager; Barbara Summey, flight attendant; Warren Wood, Edmonton station manager; and Arlene Brown, flight attendant.



## New crew management system welcomed

Virtually every major facet of a passenger's experience with Hughes Airwest was touched on at the June operations and stations meeting in Phoenix—from advertising and telephone sales to baggage claim.

"This gathering—cutting across the entire company—is unique in the airline industry," said Edwin N. Altman, operations vice president. "The breadth of participation can't help but make operations smoother."

He and Kip Wharton, sales and service vice president, led the 100-plus participants from maintenance, flight and stations departments. In-flight services also attended throughout the three-day conference for the first time. Others represented telephone sales, advertising, crew management, properties and facilities, management information services and sales.

Of interest to many of the departments was the company's new aircraft crew management system. Equipment is now being installed at all domiciles. The first phase will be operational by the end of the year.

"The automation that revolutionized reservations years ago has come to crew scheduling," said Rhonda Miller, aircraft crew management services director.

The present "archaic" crew scheduling systems of manual record keeping will be eliminated. What now takes 14 steps—reporting a sick crew member, for example—will take only one, entering it in the computer.

Union and management representatives heard a presentation on the new system by Nick Bredimus, advance systems planning director.

"Their input was invaluable," said Altman, "and they reacted very favorably to the new system."

The first phase will program the basic crew information. The second will enable the actual crew scheduling, plus other capabilities affecting other departments. These include ability to track aircraft maintenance needs and down-line station information on crew flight times which now must be reported by station agents.

The third phase will automate crew information for payroll purposes.

Coordination between domiciles and with flight control and training will be greatly enhanced, said Miller.

Video terminals (CRTs) and hard copy printers for the new system are being installed at the domiciles



in Phoenix, Las Vegas, Seattle and San Francisco and at flight training in Phoenix, and flight records, flight control and operations engineering in San Mateo.

Discussion of consumerism also highlighted the conference. Jack Yohe, director of the CAB's office of consumer advocate, was a guest speaker. He researched complaints against the company before coming to Phoenix and complimented employees on the job they are doing. He remained as an observer for many of the sessions and was impressed by the "quantity and quality" of work accomplished, according to Altman.

Three representatives of Eastern Airlines also attended, up-dating the group on reservations and flight systems improvements.

Business coach implementation was another major topic.

The annual meeting closed with a dinner attended by many civic and business leaders, including the acting governor of Arizona and vice mayor of Phoenix.



## flight admin. director

John L. Kastien, a pilot with the company for more than 11 years, has been named director of flight administration, a new position.



Kastien

He reports to the flight operations staff vice president. Kastien, 42, joined the company (West Coast) in 1967 as a first officer. Most recently he was a Seattle DC-9 first officer.

## University on the hill

Courses leading to a bachelor of science degree in human relations and organizational behavior will be held at international headquarters in San Mateo starting in September.

The one-night-a-week classes will be conducted by the University of San Francisco.

For more information, contact Bob Butler, stations training, San Mateo.

## THE BEST SOUVENIR

An official postal cachet is being produced to commemorate our new service to the Midwest.

Employees who would like one should do the following:

- Type or neatly print your name and address in the lower right corner of a plain envelope, preferably measuring 4-by-9½ inches. Nothing else should appear on the envelope; the official cachet will be stamped on the left side.
- Affix a 15¢ stamp in the usual upper right corner.
- Do not seal the envelope.
- Send the envelope by CoMail to: Printing & Office Services, South San Francisco (SoSF).
- Envelopes must be received by Monday, August 21, in order to be processed.

The cachet will be affixed and the envelope cancelled on Sept. 6 in Phoenix. It will be carried on our inaugural flight to Des Moines and Milwaukee and the back will be stamped with a Sept. 6 Milwaukee postmark before the official first flight envelope is mailed.

Singer Wayne Newton flagged off the Hughes Airwest Air Race Classic, successor to the famed Powder Puff Derby, assisted by Julie Ames, Hughes Airwest first officer, and Chris Commons (left) and Kathy Vegher, flight attendants. The 2,600-mile, 41-aircraft race was from Las Vegas to Destin, Fla., June 24-27. The premier aviation event for women received media coverage throughout the U.S.



Sophia Payton of Florida (right) and co-pilot Helen Davison of Pennsylvania won the Classic. Flying a Cessna 182Q, they achieved the widest margin over their 148 mph handicap—28.6 mph. Representing the company at the finish line were: Nadine Henley, advisory director and Summa Corp. senior vice president, who presented the prize money; James Austin, advisory director; John Carlson, executive assistant to the president; Marilyn Link, sales special assistant; Julie Ames, first officer; Chris Commons and Kathy Vegher, flight attendants; and Jill Hofmann, public relations representative who coordinated the company's sponsorship.

## Washington, D.C. din over noise reduction legislation

Aircraft noise reduction legislation and the need for special financing are hot topics on Capitol Hill this month. Following are key questions raised by congressmen, answered for us by the Air Transport Association.

**Q.** Why should the airlines be treated differently from other industries?

**A.** The federal government has treated the airline industry differently than any other industry by imposing a retroactive noise regulation condemning two-thirds of the airline fleet previously approved by the government.

**Q.** In view of record airline traffic and earnings records, why is it necessary to have noise reduction legislation?

**A.** Airline earnings over the last 10 years have been totally inadequate by any standard. While current earnings are improved, there is uncertainty about the future with many government officials and security analysts predicting a downward trend in 1979. In any case, the airlines already are facing a \$22 billion capital need through 1984 to replace aging aircraft and to meet increased public demand. Meet-

ing the federal noise rule in the most effective way adds \$6 to \$8 billion to those already substantial capital requirements.

**Q.** Isn't this a subsidy for the airlines?

**A.** No. Two-thirds of the \$6 to \$8 billion cost of retrofitting, re-engining or replacing noisy aircraft would be at airline expense, with the other one-third being paid by a noise pollution tax on passengers and shippers. The general taxpayer will pay nothing.

**Q.** What is the cost of meeting the noise rule?

**A.** If all aircraft were retrofitted it would cost over \$1 billion. However, retrofitting all non-complying aircraft is the least effective way of solving the noise problem because it will provide no meaningful noise relief, will add weight, increase fuel consumption, and delay the introduction of modern, quieter and more fuel-efficient aircraft. While some aircraft may have to be retrofitted, the most effective way of meeting the rule is a combination of replacing, re-engining and retrofitting the non-complying fleet at a cost of \$6 to \$8 billion.

**Q.** Why not lower the tax from 8 to 6 per cent and let the airlines pay the cost of complying with the noise rule?

**A.** As concluded by three committees of congress after extensive hearings, a special financing mechanism is required to assure that funds are dedicated to reducing aircraft noise. Airlines always have had difficulty in keeping pace with significant cost changes, and without this financing mechanism the airlines would be forced to adopt the least effective compliance program—retrofit instead of replacement—or ground their airplanes.

**Q.** Would the legislation divert money from safety requirements?

**A.** Extensive congressional testimony, including that of airline management, airline pilots, and FAA representatives, has demonstrated that safety needs of the air transportation system will continue to be met fully with Aviation Trust Fund resources, taking into account the proposed reduction in the current 8 per cent user tax for airline passengers and the growing surplus in the fund. If safety were adversely affected, neither the airlines, the pilots, nor the government would support the legislation.

**Q.** Won't the airlines replace their older and noisier aircraft by 1985?

**A.** Not at the pace and time frame imposed by the federal noise regulation. Over half of the condemned fleet would not be replaced in the required time. It is this time-frame differential which the legislation addresses.

## SERVICE ANNIVERSARIES

(Continued from inside)

son, station agents. **Dana Gaston**, ticket agent. **William Nettle**, first officer. **LAS VEGAS**—**Virginia Baker**, flight attendant. **Joyce Miller**, clerk typist, inflight services. **John Crabbe, Terry Evans, John Kleem, Steven Singler and Timothy Bebee**, station agents. **Ralph Wilson**, chief station agent. **Thalia Wilcox**, ticket agent. **David Blake, Dale Buchanan, Kenneth Focht, Ronald Klein, Norman Lindley, James Orton and Hubert Starcher**, first officers. **John Foley**, avionics technician. **Edward Hicks**, maintenance technician. **PHOENIX**—**Nancy Muse, Sharon Lauffer, Karen Luna, Patricia Nelson, Edith Sprangrud and Margaret Davenport**, telephone sales agents. **Carl McGuire and Wayne Deselms**, ticket agents. **Carol Hess and Margaret Rohn**, flight attendants. **Jerry Carpenter, Larry Foster, George Neitz, Robert Scott and Glenn Sullivan**, first officers. **Eldo Platte**, stock clerk, purchasing. **Don Owen**, avionics manager. **Paul Vinck**, inventory control analyst. **Robert Bader**, maintenance instructor. **Doris Perkins**, cleaner. **Stephen Jones**, avionics maintenance supervisor. **James Hoeszle**, ground equipment technician. **Glen Hill and Dennis Kephart**, hangar maintenance technicians. **Thomas Arrowsmith and Wesley Owen**, avionics technicians. **James Lowden and Franklin Bergren**, stock clerks, supply. **Jim McManmon**, overseas operations director. **EL CENTRO**—**Raymond Molina**, station agent. **SAN DIEGO**—**Gilbert Niday**, station agent. **LOS ANGELES**—**Joseph Wilson**, chief station agent. **Sharon Graham**, ticket agent. **Helen McClintock, Patsy Scarce, Linda Turnbull, Sherry Abrahamson, Cara Batarseh, Mary Key, Jennifer McCullah, Deana Ruddach, Julie Gribau and Elena Paez**, telephone sales agents. **SALT LAKE CITY**—**Lloyd Oswald and Elmer Winn**, ground servicemen. **Faye Le-**

**Fevre**, cleaner. **William Blackett**, maintenance technician. **Alan Karichner and Theodrick Pryor**, station agents. **PASCO**—**Patrick Kopp**, station agent. **KALISPELL**—**Michael Gorey**, station agent. **SAN FRANCISCO**—**Sharon Young**, ticket agent. **Eddie Qualls and Calvin Ogen**, station agents. **JoAnn Dennis**, secretary, sales. **Jane Emerick, Margaret Gregory, Antonette Manuel, Carolyn Gulledge and Janis Joines**, flight attendants. **Robert Ja, James Jackson, Soren Johnson, James Rhoades,**

## TRAVEL BARGAINS

Hotel Tahara'a, **Tahiti**, gives a 50% discount on confirmed space. Details/reservations: 323 Geary St. #501, San Francisco 94102; (415) 434-4447.

Interline Home Exchange publishes a directory of airline employees worldwide who are willing to trade their homes with others for vacations. Brochure: P.O. Box 26000, Honolulu 96825.

A quiet weekend for \$59 per couple is available at the Cathlamet Hotel on the Columbia River in **Washington**. Includes two nights, gourmet dinners with wine Fri. & Sat., continental breakfast, Sunday brunch. No phones, TV or radio. Write: 67 Main St., Cathlamet, Wash. 98612 (pop. 682); (206) 795-3997 or -8751.

**San Francisco** Interline Club's popular "Days of Wine and Roses" will be Sept. 14-17. Activities include Napa/Sonoma wine tour, Lake Tahoe gambling junket, Muir Woods or Monterey/Carmel tour, caberet/disco show and other events. Hotel discounts. Pick your days/events. Registration includes transfers, city tour, bay cruise, etc. Details: SFIC, P.O. Box 3803, San Francisco 94119.

**Stephen Monaco and Kagel Smith**, first officers. **Donald Pease**, ground serviceman. **Patti Meiers**, intermediate clerk, printing. **SAUDI ARABIA**—**Robert Brunson**, flight operations manager. **MONTREY**—**Frank Schubert**, station agent. **SPOKANE**—**James Nickel**, station agent. **REDDING**—**Larry Loffelmacher**, station agent. **TUCSON**—**Jerry Reid**, station agent. **YAKIMA**—**Cecil Perdue**, station agent. **TWIN FALLS**—**Michael Atwood**, station agent. **SAN MATEO**—**Pamela Nielsen, Carol Fencil, Peggy Heck, Rebecca Hill, Mary Daniel and James Jones**, telephone sales agents. **Linda Libby**, secretary, sales. **Jean Caselli**, intermediate cities regional sales manager. **Jeanne Koreltz**, customer service flight attendant training supervisor. **Joan Drayton**, assistant to the corporate planning vice president and executive secretary. **Nina Baraloff**, intermediate accounting clerk, statistics. **James Gallagher**, transcription operator. **Patricia Linn**, senior general accounting clerk. **Lynn Kirby**, secretary, word processing. **Jeanne Cowan**, statistical typist, general accounting. **Alicia Eide**, credit & collections supervisor.

## FIVE YEARS

**ORANGE COUNTY**—**Charlotte Carrico**, cleaner. **TOKYO**—**Paul Saito**, Far East regional sales manager. **SAN FRANCISCO**—**Patrick Francis**, stock clerk. **LAS VEGAS**—**Federico Di Lu**, cleaner. **James Walker**, maintenance technician. **Jack Franke**, station agent. **Lynette Weise**, flight attendant. **PHOENIX**—**Earl Colemere**, station agent. **Jerry Lynch**, component overhaul technician. **Keith Capps**, hangar maintenance technician. **Dennis Cayton**, cleaner. **Richard Jasperson and Wilmer Lee**, stock clerks. **SAN MATEO**—**Barbara Vick**, commercial artist. **Bob Brush**, budgets & cost accounting manager. **Frank DeLach**, senior buyer. **Christine Connolly**, intermediate revenue accounting clerk.

## TRANSITION

(Continued from inside)

chief telephone sales agent, San Mateo. **Edward Mymo** to chief station agent, Oakland. **Jack Landers** to chief station agent, Phoenix. **Douglas Barrett, Randolph Bell and Geary Keilmann** to food pricing assistant manager, San Mateo. **David Donahue** to ground flight instructor, Phoenix. **Beverly Arrighi** to assistant to the vice president-general counsel and executive secretary. **Joan Brown** to assistant to the vice president-corporate planning and executive secretary. **Margaret Fanchaly** to computer operations supervisor, Phoenix. **Peter Suszynsky** to senior budgets analyst, San Mateo. **Jeanne Koreltz** to customer service flight attendant training supervisor, San Mateo. **Louise Ragan and Amy Kawamoto** to intermediate revenue accounting clerks, San Mateo.

## RETIREMENTS

**Ted Sutphen**, maintenance supervisor, engine shop, Phoenix, our second most senior employee, after 36½ years with the company. Joined Southwest in 1941 when it was a military flight training school in Arizona.

**Marshall Smith**, captain, Las Vegas, 30 years. Started as a co-pilot with Empire in Boise in 1948.

**John Amos**, dispatcher, San Mateo, 27 years. Joined Bonanza in Las Vegas in 1951.

**Don Pingree**, maintenance assistant manager, Seattle, 26 years. Started with West Coast as a mechanic in Boise in 1952.

**George Gragg**, chief station agent, Las Vegas, 23 years. Has worked at the Las Vegas station since joining Bonanza in 1955.

**Donna Torres**, chief telephone sales agent, San Mateo, 13 years. Joined Pacific in 1965 in San Francisco.

**Charlotte Hodges**, flight attendant, Seattle, 9 years. Began with Air West in 1969.