



First YS-11 Is Delivered and Put Into Service



The Cherry Blossom Pacemaker arrives at last.

SHOULD EVERY FLIGHT be met with roses for the captain? Certainly, if it is a "first" flight! Captain Lloyd Lyons, (left) Miss Junko Tatsuno and H. M. Cartwright seem to think its a good idea.



The Company's first YS-11 went into service on Sunday morning May 19th, following delivery three days earlier.

The Cherry Blossom Pacemaker arrived at Smith Reynolds Airport from Ft. Worth where it had undergone installation of a Category II instrument landing system and certain electronic modifications. This is the first of ten of the sixty passenger YS-11's which Piedmont has ordered.

In Command

Piloting the plane home from Ft. Worth was Captain Lloyd Lyons and Co-pilot Gerald Lee. Vice President Maintenance and Engineering H. M. Cartwright and Senior Mechanic Harold Sage also returned home on the delivery flight.

A crowd of about fifty people was on hand to welcome the new plane. Miss Junko Tatsuno of Osaka, Japan presented long stemmed red roses to Captain Lyons and Mr. Cartwright on behalf of Nihon.

During the days following delivery, prior to being put into service the plane was involved with FAA proving runs, training flights for crews and the evacuation tests which were completed in record time.

Pre-Arrival Party

In observance of the delivery of the first YS-11 prop-jet airliner, President Davis was host to Nihon Executive Vice President A. Miyamoto at a pre-arrival dinner the week before.

Dignitaries present at the dinner included S. Yoshihawa, Councillor, Embassy of Japan, N. Y., T. Hirabayashi, First Secretary, Embassy of Japan, Washington, D. C., Robert T. Murphy, Vice Chairman, Civil Aeronautics Board, Washington, D. C. and Arthur B. Simpson, Vice President-Engineering, Rolls Royce, Ltd., Montreal, as well as other Nihon associates, Rolls Royce representatives and Piedmont company officers.

Noting the forthcoming delivery, President Davis remarked: "The aircraft's arrival will be a

momentous occasion for Piedmont and a very significant day for a large portion of the United States. This first YS-11 Pacemaker and the others that are scheduled to follow, will assure the finest possible jet service to many of the cities and communities served by Piedmont. Offering the ultimate in comfort for our passengers and continued profitable returns to our shareholders, the YS-11 is the modern jet-powered aircraft we sorely needed to replace our piston-engined Martin 404's. It has been our policy over the years to provide service to all of our cities — the largest to the smallest, whether on the coast or in the mountains — with the most modern, comfortable and efficient aircraft available. It has also been Piedmont's policy to do this without making it necessary for the cities we serve to raise large amounts of money to expand their airports, for Piedmont serves more cities with relatively small airports, especially in mountainous terrain, than any other regional airline."

Comfort and Availability

"The YS-11 is the only modern aircraft available today that offers spacious passenger comfort, in addition to being able to operate out of many of our small mountainous airports under a full load and still cruise at relatively high speed. We anxiously await the delivery of nine additional YS-11's to offer this modern Pacemaker service to the majority of cities in Piedmontland," he said.

Cities receiving the first YS-11 prop jet service include Danville, Lynchburg, Charlottesville, Staunton and Roanoke, Tri Cities, Knoxville, Winston-Salem, and Washington.

Two additional YS-11 Pacemakers will be delivered early in June and placed into passenger service the same month. The remaining seven are anticipated to be delivered throughout the summer with all ten scheduled into service by October.

Sherl C. Folger Is Promoted To General Sales Manager

Sherl C. Folger has been named General Sales Manager for the Company's commercial airline division and its ten-state system.

In announcing the advancement, to be effective immediately, W. G. McGee, vice president-sales, added that Folger will continue to handle the overall development of the airline's various sales programs, as well as assume responsibility for the guidance of in-flight services.

A twenty-year veteran with Piedmont, Folger joined the airline division as an agent in Lexington, Ky., and became station manager in 1950. He transferred to Washington, D. C., in 1955 as city sales manager and was elevated to district sales manager three years later. In 1961, he was promoted to assistant general sales manager and assigned to the firm's home office in Winston-Salem.

Presently, Folger is chairman of the interline committee for regional carriers. He is a native of Lexington, Ky., and attended the University of Kentucky.

Folger resides with his wife, the former Shirley Anderson of Lewistown, Montana, and their two daughters on Grandview Club Rd., Rural Rt. 1, Pfafftown, N. C.



SHERL FOLGER
General Sales Manager

Davis Reports To Stockholders On First Quarter

Total revenues for the three months ended March 31, 1968 amounted to \$12,474,207, compared with \$11,967,264 last year, an increase of 4%.

Despite this increase in revenues, we suffered a loss of \$370,502 compared with a profit of \$141,802 in the first quarter of 1967.

This condition of increasing business but decreasing profits is almost universal in the airline industry today.

In Piedmont's case, there were several major causes of this unsatisfactory result. For example, employment costs increased \$763,419 or 17%. Airport landing fees and rents were up \$85,720 or 40%. Prices of fuel and almost all other materials and supplies have increased. Depreciation expense increased 91% to \$799,008. Interest expense is up 153% to \$377,385. Even though commercial revenues of the Airline Division were up 19%, we would have had an even greater increase had it not been for unusually adverse weather in January and February.



GREETING THE FIRST GUEST for the pre-arrival party, President Davis is shown here with Civil Aeronautics Board Vice Chairman Robert T. Murphy who came down for the festivities.