

This is perhaps the most difficult "New Years Message" I have ever tried to write. Faced with the fact that we have just completed another year of substantial losses and confronted with questionable prospects for 1971, what is there to say?

On the other hand — looking back — I believe there are some solid accomplishments we can point to with pride and — looking forward — there are opportunities for us to continue good solid growth.

During 1970, we inaugurated service to Charleston, South Carolina, and began operating the newly awarded route between Norfolk and New York. In addition, we began service to the Greenbrier, West Virginia area. This is their first scheduled airline service.

Also, we made the historic step of becoming all jet-powered by phasing out of operation the piston-powered Martin 404's. We took the big leap into computerized reservations by starting construction of our new CRO building. When completed, Piedmont's reservations system will be as good as, or better than, any other airline and will make possible far superior service to our customers.

Now — looking ahead — there are indications that the general economy of the country should begin to improve in 1971 and bring with it increased airline travel. In addition, it is expected that we will receive some relief from the CAB by an increase in subsidy payments for services we render to the small cities on our system that don't produce enough traffic to pay the cost of providing the service. Also, since the developmental costs of the new services we started in 1970 are largely behind us, we should be able to begin to reap the benefits of those new route awards.

On balance, it seems to me if ever there has been a time of reckoning — 1971 is it, for us and for the airline industry as a whole.

Obviously, we cannot continue the severe losses we have experienced during the past three years. The only reason we have been able to survive these and still be up-to-date on our bills is because of the efficient and profitable operations we have conducted in the past.

I regret the recent necessity to reduce our service and with it a number of our employees. I hope that no further reductions will be necessary and we intend to do everything in our power to see that there will not be. But it will require the best of all of us to see that it does not happen.

I know that almost all employees in all departments really did an outstanding job last year and I am most grateful to you. Our losses are not the result of lack of effort and interest in doing a good job. As I am sure you know, our losses were caused by the fact that costs went up faster than revenues. And when that happens, there has to be some trimming or sooner or later you're in real trouble.

I don't think most Piedmont people want to work for a weak company. You want to be associated with one that is strong enough financially to weather the storms and provide the good jobs and long-term security all of us strive for.

I know there are some who go around telling you that this is some of the "same ol' stuff" I've said over and over again. I know there are some who tell you that there's nothing to worry about — or that if Piedmont goes broke, you'll be taken care of one way or another, etc. etc. Well, all I can say is that there are many thousands of airline employees out of work now that would not be if there were more realistic thinking, more honesty, more unselfish cooperation, and more "putting yourself in the other fellow's shoes."

Can I count on you to do that in 1971?



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OPERATOR, WE'D LIKE TO PLACE A CALL to Lexington, Kentucky. This was the happy reaction of Piedmont's newest Assistant Vice Presidents,

Jim Bradley, at left, and Sherl Folger. Their promotions were made by the Company's Board of Directors at the regular January meeting.

"Kentucky Colonels" Given Higher Ranks

Piedmont's own "Kentucky Colonels," Jim Bradley and Sherl Folger, were recently elected officers of the Company by the Board of Directors.

Theirs is a story which longs to be told with all the color traditionally a part of the tales from the Kentucky hills.

Suffice it to say that Bradley and Folger were fraternity brothers at the University of Kentucky, and Folger, who was first of the pair to join the Piedmont ranks, hired Bradley and was his boss in Lexington, back in theirs, and Piedmont's younger days.

Now for the facts.

The changes, effective immediately, were announced by President T. H. Davis.

Named to the newly created position of Assistant Vice President — Industrial Relations was James E. Bradley, formerly Director of Personnel. Also filling a new position, Assistant Vice President—Sales, is Sherl C. Folger, who was Piedmont's General Sales Manager.

Both men are from Lexington, Kentucky and are graduates of the University of Kentucky.

Bradley served with the U. S. Army in the Counter Intelligence Corps prior to joining Piedmont as a station agent at Lexington in 1953. He later transferred to Winston-Salem as a traffic clerk. In 1957 he was named

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