



## CAB extends Piedmont's system north and south

It may not be quite time to pack, but it certainly isn't too early to start thinking about what you'd like to take to Miami and/or Boston.

As surely everyone has heard, Piedmont is going to be serving both cities. The Pacemakers should be in Miami by mid-summer. It may be a little longer before we can put Boston on the map of routes served.

Boston and Miami have been on Piedmont's map of routes proposed; Boston, since July of last year; Miami, since October, 1977.

In a landmark, or policy-setting, decision on April 19, 1978, the Civil Aeronautics Board granted Piedmont's application to serve Boston under a show-cause order. Interested parties were given 30 days to file comments.

Service to Boston will be possible from many points on Piedmont's system. The Company's application included specific requests for non-stop authority to what will be the northern-most point on the system from Richmond, Greensboro/High Point/Winston-Salem

and New York/Newark.

The CAB granted Piedmont the authority to extend its route system south to Miami on April 20, 1978. This award, which gives the Company its first entry into the Florida market, allows operations into Miami on an interim basis pending the final outcome of Piedmont's request for permanent authority to serve Miami directly from the Carolinas and points north.

Initially, Piedmont will operate one daily round-trip flight to Miami. The jet service will originate at Baltimore/Washington (BWI). It will stop in Greensboro/High Point/Winston-Salem before continuing to Charleston, South Carolina. The Charleston-Miami service will be non-stop. There will be convenient connecting services between a number of Piedmont cities and Miami via Charleston.

### Additional requests

In January Piedmont filed an application with the CAB to extend its route authority

westward to St. Louis, Missouri from Louisville, Kentucky. The Board recently decided to investigate the need for additional authority in this market.

At the end of March the Company petitioned the Board for authority to provide non-stop air transportation between Greensboro and Charlotte, North Carolina, Columbia, South Carolina, and Tampa, Florida.

Initial plans are to serve these markets with four round-trip flights a day. When the CAB approves Piedmont's application for service to Tampa/St. Petersburg/Clearwater, Richmond and Raleigh will be among the cities to get daily one-stop service in the Tampa market.

Piedmont's application for Tampa authority included the Company's first system-wide low-fare proposal. Discounts of 30 per cent will be applicable on all round-trip tickets. The only requirement for the discount will be a three-day minimum stay.

In addition, Piedmont announced on April 20, 1978 plans to seek authority from the CAB to replace Eastern Airline's service between Roanoke and Pittsburgh.

Eastern has revealed plans to discontinue service to Roanoke.

Piedmont and Eastern will file a joint application seeking replacement of the Eastern service by Piedmont.

Piedmont will provide greater frequency than Eastern currently offers Roanoke area travellers.

## We've reclaimed "number one"

Piedmont made its way back to the top spot among the local service airlines in the Consumer Report rankings published by the Civil Aeronautics Board for January and February.

In January, Piedmont ranked third in the industry. Delta and Western posted better records for the first month of the year.

In the February report Piedmont was again the number one local carrier and was number two among all the trunk and local airlines. Delta kept the top spot. Ozark came in third.

The monthly report published by the Board ranks the airlines on the basis of the number of complaint letters per 100,000 passengers enplaned.

## Howard named to new position

William R. Howard was appointed to the new position of senior vice president and assistant to the president in January.

Prior to joining Piedmont, Howard was a senior vice president of Eastern Airlines.

A native of Wheaton, Wyoming, Howard is a graduate of George Washington University. He also holds an LL.B. degree from the George Washington University Law School.

Howard's responsibilities at Piedmont include a broad range of corporate activities as assistant to the president and external industry, government and community affairs.

During World War II, Howard received training from the Royal Air Force in England

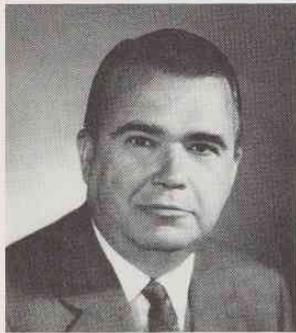
and served with the United States Army Air Force as senior flying control officer in Europe and the Middle East. Following World War II, he served on the staff of United States Senator Hugh Butler in Washington, D. C. from 1947 to 1955.

Howard joined Eastern as an attorney with the Atlanta law firm of Gambrell, Harlan, Russell and Moye, that company's general counsel. He devoted full time to Eastern's legal affairs, being based in New York City, from 1956 to 1967.

In 1967, Howard was elected staff vice president-legal of Eastern. In 1970, he was named vice president-industry affairs, at which time he also assumed responsibility for Eastern's hotel subsidiaries and its passenger relations.

Howard is a former member of the board of directors of the Crime Commission of Greater Miami and chairman of the Dade County Red Cross. He has also served as a director and executive vice president of the Dorado Beach Hotel Corporation and the Mauna Kea Beach Hotel Corporation and a director of Rockresorts, Inc., all affiliates of Eastern Airlines.

In addition to his airline activities, he owns and flies his own private airplane. He and his wife, Lucy, have three sons.



William R. Howard senior vice president and assistant to the president

### Coming

● This summer Piedmont will start a major mod program on the interiors of the Boeing 737s. The next issue of the Piedmonitor will take a look at what's coming.

● Piedmont's shareholders gathered for their annual meeting in Winston-Salem on April 19, 1978. A full report of that meeting will appear in your next Piedmonitor.

● Add ACARS to your in-house alphabet vocabulary. Piedmont was the first airline to buy it. Now other carriers are following suit. What it is and what it does will be explained in the May-June Piedmonitor.



## Earnings were best-ever; dividend declared

Piedmont Aviation, Inc. reported earnings of \$7,495,567, or \$2.95 per share, for 1977. This was an increase of 70 per cent over the earnings for 1976 of \$4,398,033, or \$1.76 per share.

The 1977 earnings were the highest in the 30-year history of the Company. The previous record year was 1974 when the net income was \$7,047,318, or \$2.86 per share.

Gross revenues for the Company were \$227,966,481 in 1977 compared to \$192,053,665 in 1976, an increase of 19 per cent.

Costs and expenses were up 18 per cent from \$186,012,743 in 1976 to \$218,955,230 in 1977.

President T. H. Davis attributed the improvement in earnings primarily to a 9 per cent traffic growth.

The directors of Piedmont Aviation, Inc. declared a cash dividend of six cents (6¢) per share on the Company's common stock at their regular quarterly meeting in January.

Paid March 6, 1978 to stockholders of record on February 17, 1978, this was the 16th cash dividend to be paid by the Company. It was the first time the Company declared consecutive quarterly dividends. The directors announced plans to consider the payment of future dividends on a quarterly basis. Dividend pay-

ments had previously been considered semi-annually by Piedmont's directors.

In the first quarter of 1978 traffic was up more than 10 per cent over the same period last year.

Revenue passenger miles were up 10.3 per cent for the January through March period, from 256,843,252 in 1977 to 283,244,910 this year.

Passenger boardings increased 7.6 per cent for the three months, from 862,216 last year to 927,695 at the end of March, 1978.

The passenger load factor for the first quarter of this year was 47.7 per cent. For the same period last year it was 46.6 per cent.