



This focusing on feet leads to page seven and more pictures of the latest look worn by Piedmont flight attendants. Why start with footwear? Shoe styles represent just one of the changes.



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Records set in June and second quarter

April, May and June, 1978 made up the best quarter in the Airline Division's history.

The passenger load factor for June of this year was 60.4 percent, the highest monthly average in the past ten years. June was a record month with passenger boardings at an all-time high of 418,926. In addition, the last day of the second quarter, Friday, June 30, was a record day. Piedmont's passenger boardings totalled 17,868 on the first day of the July 4 holiday weekend.

The July 4 holiday was the biggest weekend in commercial aviation history. More than 3 million people flew on the U. S. airlines. Many carriers set traffic records.

Other traffic statistics for the second quarter showed Piedmont's revenue passenger miles were up 12.5 percent for the April through June period, from 328,157,434 in 1977 to 369,091,885 this year. Passenger boardings rose 9.2 percent for the three-month period, from 1,086,771 last year to 1,186,971 at the end of June, 1978. The passenger load factor for the April through June period was 57.4 percent.

For the first six months of 1978, revenue passenger miles increased 11.5 percent. There were 652,336,795 revenue passenger miles flown through June of this year as compared to 585,000,686 during the same period last year. Pas-

senger boardings for the first half of 1978 totalled 2,114,666, up 8.5 percent over the 1,948,987 passengers carried during the first six months of 1977. The passenger load factor for January through June, 1978 was 52.8 percent. For the first half of last year, it was 50.3 percent.

Financial results

Piedmont Aviation, Inc. reported record pretax income for the second quarter of \$4,024,081. This is an increase of 16.9 percent over the \$3,443,284 pretax income in the same period last year.

The Company's effective income tax rate was substantially lower in 1977 than in 1978 due to the availability of investment tax credits. The higher tax rate in 1978 reduced net income after taxes to \$2,343,624, or 87 cents per share in the second quarter of 1978 as compared to \$2,916,506, or \$1.15 per share in 1977.

Gross revenues rose 15.2 percent from \$57.4 million in the second quarter of 1977 to \$66 million this year. Costs and expenses were \$62 million for the April through June period this year, up 15 percent from \$53.9 million in the comparable period last year.

During the first half of 1978, the Company had net income of \$1,778,284, up .2 percent

from \$1,775,090 in the same period last year. The Company's gross revenues for the first half of this year were up 22 percent to \$125 million from \$102.5 million during the same months of 1977. Costs and expenses rose 23.3 percent for the January through June period this year to \$122 million. For the same period of 1977, costs and expenses totalled \$100.6 million.

In announcing the second quarter results, Senior Vice President T. W. Morton said, "The reduction in the investment tax credits available during the second quarter of this year as compared to last year brought about a drop in net income after taxes but the sharp gain in pretax earnings is very encouraging. We believe 1978 will be among the best years in our history."

Dividend declared

The Company's directors declared a cash dividend of 6 cents per share on Piedmont's common stock at their regular quarterly meeting in June.

Payable September 1, 1978 to stockholders of record on August 15, 1978, this is the 18th cash dividend to be paid by the Company. It will be the third quarterly dividend paid in 1978, bringing the total payments to shareholders to 18 cents per share this year.

Company's stock soon will be listed on the Big Board

The common stock of Piedmont Aviation, Inc. has been cleared for listing on the New York Stock Exchange.

Final approval and actual trading on the NYSE is expected by mid-September. The Company's stock is currently traded on the Over-the-Counter market.

Piedmont Aviation, Inc.'s common stock was publically traded for the first time in 1947, just before the Airline Division was formed.

A recent profile of Piedmont's stockholders shows the Company's owners live in 48 states and a number of foreign countries. At the end of 1977, there were 7,350 stockholders and a total of 2,457,579 common shares outstanding.

In commenting on the pending listing of Piedmont's stock, President T. H. Davis said, "We are delighted that we'll soon be on the Big Board. Our stock, which has been trading recently for about \$12 a share, will be accessible to a broader market, enabling us to increase our shareholder base. The timing is also most appropriate now at the mid-point in the 30th anniversary year of our airline operations."

Reynolds promoted in maintenance changes

Vice President H. M. Cartwright has announced an organizational realignment to strengthen and improve the effectiveness of the maintenance and engineering departments. The changes were effective in mid-July.

George A. Reynolds was appointed to the newly created position of staff vice president-maintenance and engineering.

A native of Bishopville, South Carolina, Reynolds is a mechanical engineering graduate of the University of South Carolina. He also

holds an airframe and power plant mechanic's license from Embry Riddle. Before joining Piedmont, Reynolds worked for Southeast Airlines and the South Carolina Electric and Gas Company. Since he came to the airline as an engineer in 1964, Reynolds has been superintendent of engineering and director of avionics. Immediately prior to being named staff vice president, Reynolds was director of maintenance.

The following personnel now report to Reynolds: L. M. Gould, senior director-engineering and staff services; A. A. Lenderman, director of avionics; C. T. Ayers, director-production control; G. F. Hendrix, director of line maintenance-outside stations; H. N. Wilson, director of line maintenance-INT; R. G. Oliver, director-shop maintenance; and R. E. Wall, maintenance management assistant.

Reynolds reports directly to Cartwright. Also reporting to Cartwright are J. W. Johnson, director of power plant performance; W. F. Davis, director of business aircraft maintenance; R. S. Macklin, technical assistant to the vice president of maintenance and engineering; and W. B. Sparks, assistant superintendent of quality assurance.



George A. Reynolds
staff vice president
maintenance and
engineering.