



Above: CLT agents Mike Ball (left) and Randy Silver load baggage on the 737-300 for its first scheduled flight to DFW. Left: Tammy Haynes, an agent at CLT, checks in passengers for Flight 525 to DFW on May 1. The aircraft has an all-coach seating configuration and offers 138 seats. Nine more 737-300s will be delivered this year.



And also on May 1...

The inaugural flight for our first 737-300 was just one of many special events taking place May 1.

In addition, we began service at both STL and TYS, and Sunbird officially became the first commuter carrier in the Piedmont commuter system.

Employees (above) on hand for our startup of service at STL are (first row, l to r): Jeff George, John Havener, Carla Christian, Jonnie Measels, and Lynda Thornhill; (second row): Station Manager Tom Pennell, Tony Duvall, Theresa Lindeman, Cynthia Braucksieker, Becky Krasnesky, Kevin Bemis, Melissa Davenport, and Marty Tilly. Lydia Graham (not pictured) is city sales manager.

Rick Williams (right), an agent at CLT, checks in a passenger for a Sunbird flight. Sunbird is the first airline to be part of Piedmont's commuter system which will include similar contracts with other commuter airlines in the future.

Sunbird is based in Charlotte. The new joint program between Piedmont and Sunbird will give passengers on Sunbird fast con-

necting flights to major destinations which also flies our colors, is a subsidiary of Piedmont and as such is Piedmont's Regional Airline.



First quarter earnings Reflect good performance

Our first quarter earnings for 1985 were \$832,000, up from \$243,000 reported for the same period in 1984. Primary earnings per share were eight cents compared with five cents in 1984.

The Company had total operating revenues of \$326.5 million, an increase of 20.6 percent from the \$270.8 million recorded in the first three months of 1984. Total operating expenses rose to \$317.8 million for the period, up 22.7 percent from the \$258.9 million recorded a year earlier.

Howard Mackinnon, our senior vice president finance and treasurer, said the increased revenues reflected Piedmont's increased capacity and public response to a combination of new services and promotional fares.

"The first quarter is historically the weakest of the year for Piedmont," Mackinnon said. "Meas-

ured against that background and the proliferation of lower fares in the marketplace, we believe the figures represent one of the Company's best performances ever for this period."

How We Compare

American	+\$60.2 million
Delta	+\$41.2 million
Eastern	+\$24.3 million
Continental	+\$15.1 million
Western	+\$13.3 million
USAir	+\$10.0 million
Republic	+\$ 5.3 million
Southwest	+\$ 5.3 million
Piedmont	+\$ 832,000
Northwest	+\$ 798,000
PSA	-\$ 1.9 million
United	-\$ 3.2 million
Frontier	-\$14.2 million
PeopleExpress	-\$18.8 million
TWA	-\$74.3 million
Pan Am	On Strike

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New look for 737-200

A woven tapestry will also appear on the bulkheads of the aircraft.

Walter Dorwin Teague and Associates of New York, a consulting firm which designed the interiors on our 737-300s, came up with several new designs for the 737-200 interiors. Our senior management selected the fabric group for Piedmont.

pay for itself

"The revenue that will be generated by the additional seats coupled with the savings we achieve in avoiding overhauls and fire-blocking mods will pay for the expense of changing the interiors in less than two years and, at the same time, give us a new look," Bethune said.

"We will also save money on the seats not only for the 737-200s but on the 737-300s as well, thanks to the diligent efforts of the employees in our Purchasing Department," Bethune added.

This spring when the decision was made to replace the interiors of our 737-200s, June Tsuruta, vice president-purchasing, and his staff began seeking bids from various companies for the seats. They were able to achieve a 20 percent savings from Fairchild Burns over what we had agreed to pay for the same seats on the new 737-300s.

"At this point we agreed to buy the seats from Fairchild Burns if the same price would be extended to us for the remaining 737-300s," Bethune said. "Fairchild Burns agreed to the price concession, thus saving us over \$800,000 if all optional aircraft are purchased."

first 118-seater

The first 737-200 with 118 seats went into service May 7, and the

additional seats have been added on several more this month. The new seat covers will be added on these aircraft at a later date.

Because the summer months are the busiest months for the airline, no aircraft will be specifically scheduled for interior modification, but more 737-200s will be outfitted on an ad hoc basis. After Labor Day when our loads are lighter, Maintenance will add seats and new seat covers on approximately four aircraft a week until the job is completed. This also means rewiring above the seats for oxygen, lights, and air. As the present carpets wear out, they will be replaced with the new carpeting selected. This change is expected to be completed within the year.

All modification work will be done at our GSO maintenance facility. The old seat covers still in good condition will be saved for the 727-200s, and we will store many of the old seats so that they can be re-installed in any aircraft we might sell or return to the company from which it is leased in the future.

"The new interiors will be more comfortable, more attractive, and at the same time, give us more product to sell," Bethune said.

"It's an opportunity to improve our 737-200 fleet that we can't afford to let pass by."

'85
THE YEAR OF CHALLENGES.