



The Great Lady bowed out February 20, 1963, 15 years to the day after making its debut on the airline's inaugural flight in 1948. But the DC-3, affectionally known as the "Workhorse" or "Gooney Bird," has returned to our fleet, this time as a symbol of the solid foundation upon which our company has been built.

Our "new" DC-3 was purchased last summer from Basler Flight Services in Oshkosh, WI, and this fall, has been undergoing a facelift. On February 9, it arrived at its new home in Winston-Salem where it will be maintained by GAG. The marketing department will schedule our DC-3 for airshows and other special events as a way of

telling Piedmont's success story.

The photo above is of an original oil painting by Phoenix artist George Greig. Brochures, post cards, and a special display have been prepared, and 16 x 20 reproductions will be available soon at Piedmont Gift Shoppes.

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DOT Counsel recommends PI for London route

Piedmont is a step closer to England thanks to the Public Counsel of the Department of Transportation (DOT). Last month, that DOT office, which represents the public interest in international route proceedings, recommended that Charlotte be named a gateway to London and Piedmont the carrier to provide nonstop service on the route.

This development is important because the Public Counsel's functions are to present an unbiased assessment of the competing proposals and to recommend the proposal which would best serve the public interest. The Public Counsel did precisely that in its 66-page brief to Administrative Law Judge William A. Kane, Jr., who is presiding over the case.

In the brief, the Public Counsel said:

"The evidence on Piedmont's profitability and growth since deregulation, its hub at Charlotte, and the groundwork it has done in preparation for serving London... reveals a healthy competitor and a good, solid choice for transatlantic authority."

"The record demonstrates that in the years following the Airline Deregulation Act's passage, Piedmont has truly flourished... It has one of the stronger balance sheets in the industry and the best debt/equity ratio of all the applicants in this proceeding... It is not surprising, therefore, that the recent research reports on Piedmont by ARGUS Research Corporation, First Boston, and Merrill Lynch all indicate a high regard for this carrier..."

"The record shows that Piedmont has already laid firm groundwork to support its service to London in the event it is awarded authority here."

Joe Healy, Piedmont's senior vice president-general counsel & secretary, said the recommendation can be a significant factor in the decision-making process.

"As an experienced and unbiased advocate for the public interest, the Public Counsel's endorse-

ment can have a significant impact upon the DOT's final decision," Healy said. "The Public Counsel has confirmed what we believed all along—that Piedmont has an exceptionally strong case that demonstrates that we can best meet the needs of the traveling and shipping public."

Our case was bolstered by the substantial support Piedmont received from the public, with an estimated 1,100 letters being written to the DOT endorsing Piedmont's proposal. Of those letters, support from 97 state and national government officials in 10 states was received, in addition to 66 formal petitions and resolutions of support, and 195 letters from local officials such as mayors, city and county councilmen and heads of chambers of commerce. Unlike the expressions of support for some applicants, the Piedmont letters were thoughtful and personalized, not mass produced, fill-in-the-blank post cards.

"Piedmont employees also sent hundreds of letters urging our selection," Dave Murchison, assistant general counsel, said. "Each person who wrote a letter and encouraged others to write can take special pride in having helped our case."

Murchison also noted that the strength of Piedmont's case was attributable in large measure

to the many overtime, weekend and holiday hours spent by employees in virtually every department.

"Our proposal was the product of a superior team effort. Piedmont simply outworked the competition," he said.

With four airlines and four cities vying for two gateways, the Public Counsel had a challenging task of selecting the best proposals. In its opening summary, the Counsel designated Piedmont and Charlotte, and Delta Air Lines and Cincinnati, as recipients of "primary authority." American Airlines and Raleigh/Durham, and Pan American World Airways and Pittsburgh, were given "backup authority." The summary said the "selection of the Piedmont and Delta proposals would engender the optimal market structure, foster the highest level of competition in the U.S.-London market, and sustain the greatest public benefits over time."

Following the summary, the Counsel presented arguments in support of its recommendation. North Carolina was identified as a dynamically growing state with approximately \$7 billion in foreign investment, 65 firms from the United Kingdom and 215 from other European nations. Travel and tourism alone brought \$4.6 billion to the state in 1985, and each year North Carolina has over 50 million visitors.

Yet with only two Southeast gateways to London—Atlanta and Miami—travelers from North Carolina and other southeastern states have few options when flying to England. "A new gateway in North Carolina, which is the most populous East Coast state without nonstop service to London... would redress this imbalance and fill the Southeast's need for additional service," the Counsel said.

Then the Counsel stated that because North Carolina cannot support two gateways, a decision must be made on whose proposal for nonstop

on the inside

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