

1986: a year for the records

Piedmont Aviation, Inc., celebrated its 46th year and the airline, its 38th year of operation in 1986. We welcomed 3,570 new employees, including 1,000 from Empire, and bid farewell to 41 who retired, representing over 1,200 years of service.

In 1986 we experienced growth in virtually every area of the company, something we've been doing with regularity since deregulation of the airline industry in 1978. We added more available seat miles than during any other period in our history, our fleet grew to 160 aircraft, and we continued to provide service second to none in the industry.

Here's a brief look at the highlights of 1986.

January

- maintenance addition at GSOMM opens
- service begins to West Palm Beach (PBI) and Pensacola (PNS)
- new GAG headquarters at INT dedicated

February

- ground-breaking ceremony held for new MCO res center which opened July 9

March

- Brockway joins commuter system
- ADWEEK honors PI as 1985 Southeast Marketer of the Year

April

- first PI Self-Express machine installed at ORF

May

- PI/Empire merger final: PI becomes international carrier
- PI begins service at JFK
- new terminal opens at BDL
- CLT boards 400,000 for the month, new record
- PI boards two million passengers for the month

June

- PI/TWA marketing program begins at JFK
- We, along with Boeing, announce first production order for 737-400: 25 on order, options on 30
- \$27 million improvements announced for CLT

- major advertising campaign launched in New York
- on-time performance committee makes first presentation

July

- moves begin to One Piedmont Plaza, our new headquarters
- Actor McLean Stevenson joins PI as part of marketing campaign
- Piedmont announces plans to purchase Jetstream International
- PI and City of Charlotte file joint application with DOT for CLT-London service
- PI announces intentions to buy six 767-200s with options on six more

August

- new CTO opens in Syracuse
- millionth passenger flies The Piedmont Shuttle

September

- CLT, Tampa Bay area, and PI link requests for London flight
- Sterling Marlin named new driver for car #44

October

- PI celebrates first anniversary of The Piedmont Shuttle
- over 450 employees honored at service banquet
- 3 new gates open at RDU
- renovated reservations center officially opens at UCA

November

- PI announces plans to offer first class service on every aircraft in our fleet by summer 1987
- PI unveils plans for \$90 million projects at CLT
- PI announces plans for major expansion at BWI
- Henson announces plans to enter Florida market Feb. 1

December

- Bill Howard named chairman, president, and chief executive officer; Bill McGee, executive vice president
- employees achieve ambitious goals, improve airline's on-time performance
- new station agent uniforms introduced
- every employee given \$100 bill at Christmas as thank you from Piedmont

Just look how we grew

- available seat miles: 17.4 billion, up 19.4%
- revenue passenger miles: 10.2 billion, up 25.3%
- passengers boarded: 22,795,759, up 26.3% (Stations setting new monthly boarding records during the year totaled 59.)
- load factor: 58.69%, up 2.76 points
- total cargo ton miles: 44,632,291, up 8.3%
- airports added to system: BTV, BGM, ELM, ITH, JFK, PBI, PNS, SYR, UCA, YOW, and YUL
- airports/cities served at year's end: 87 airports (113 cities) in 27 states, the District of Columbia, and two Canadian provinces, an increase of 11 airports/one state/two Canadian provinces
- reservations calls: 32,570,316, up 28.5%
- ticket-by-mail sales: 1,958,676 TBMs, up 63%, resulting in revenue totaling \$295.6 million, a 51% increase
- meals and snacks served: 12.6 million, up 38% over 1985; also served 11.9 million soft drinks, 1.6 million liquor miniatures, 895,000 beers, and 278,000 bottles of wine
- number of employees: 19,528
- stock high (at closing): 50-5/8 on December 11; Piedmont stock closed at the end of 1986 at 45-1/2 compared with 33-3/4 at the end of 1985.
- aircraft added to fleet: 31 for a total of 160
- total departures: up 20% to 1,235 daily



Sam Keene (right), RIC city sales manager, explains the benefits of being Piedmont Flight Directors to Kim Gwaltney (left) and Heidi Nelson of the Richmond Marriott. Membership in the program entitles them to a special newsletter, clock, ID, and car rental and hotel discounts. The Richmond Marriott is the first major hotel in the country to purchase an airline central reservations system for the sole purpose of offering flight information to its customers.

Piedmont now has over 2,000 Flight Directors who are travel planners for employees in their companies.

"These people are very important to Piedmont," Rod Klassovity, director-sales programs, pointed out. "This program identifies and acknowledges the corporate travel planner who actively supports us. This person is often the middleman between the passenger and travel agent and can be very influential on the selection of airlines when making reservations."

Piedmont crews: meet CREWS, your modern management system

Odds are that most passengers who fly on Piedmont don't even notice the complex transfer of pilots and flight attendants between aircraft that occurs every day. With 2,200 pilots and 2,400 flight attendants—and more hiring to come—the smoother we make that transfer the more efficiently we run our airline. And that has a significant impact upon Piedmont's on-time performance.

Helping us improve the scheduling of crews is a new computerized system that should be in effect by summer. Appropriately enough, it's called the CREWS Crew Management System and its adoption will both streamline the scheduling process and make it more accurate.

Bill Clark, manager-operations resources and pilot payroll administration, said there are six aspects of the CREWS system, three of which have already been implemented: operational scheduling, training and qualification (flight attendants), and training and qualification (pilots). The three remaining aspects—daily operations-pairings tracking, daily operations-crew tracking and an interface to our payroll system—are scheduled to start this spring.

"Its importance for on-time performance is especially evident during weather and air traffic control delays that cause us to re-route aircraft," Clark said. "The CREWS system will enable us to quickly determine where our available crews are and in what capacity we can utilize them. We'll know in an instant the number of hours pilots and flight attendants can still work and schedule them accordingly for minimum disruptions to our flights."

CREWS will automate all crew records—from physicals to qualifications to monthly flight times to current location on the system. By operating in conjunction with Flight-CARE, a flight control system tailored by Piedmont, CREWS also interfaces with ACARS, an on-board computer system that

relays flight times and positions into operations for tracking and pay purposes.

"ACARS is a key ingredient, because in order to know what a crew member can do, we have to know what he or she has already done," Clark said. "CREWS will be a welcomed improvement to our mostly manual system of crew scheduling."

To develop the CREWS system, Piedmont bought an IBM-environment software package and is converting it to our Sperry environment. Part of this conversion includes enhancements developed by our Computer Services Department, with Bob Crafts, manager-applications development, in charge of the project.

"One of our enhancements includes 'instant availability,'" Crafts said. "This tells us who is available and can fly immediately, and gives the legality effects on that person for the rest of the month. This is especially helpful when unscheduled flights are suddenly added."

Aspects of the CREWS system are:

- operational scheduling—shows each flight that operates, with number of flight segments and crew requirements.
- training and qualifications (pilots)—checks qualifications such as ground school instruction, recurrent training records, physicals, etc.
- training and qualifications (flight attendants)—checks qualifications such as recurrent training records, physicals, etc.
- daily operations-pairings tracking—pairs aircraft with crews. Notifies of future misconnects and other downline problems such as if a crew member runs out of duty time.
- daily operations-crew tracking—checks for crew legalities.
- interface to payroll system—automatically determines statistics for payroll use.