

around the industry

American has placed orders for 50 Boeing 757s with options on 50 more, all to be powered by Rolls-Royce RB211-535E4 engines, the only engine for the 757 approved for extended range operations over water and remote areas. Delivery of the first nine aircraft is set for 1989. The total orders, including options, are valued at over \$4 billion. American plans to phase out its 737s and retire its older 727s.

United has placed orders for 60 757s with options on 30 more, with delivery to begin in August 1989. The total value is in excess of \$2 billion. The airline will sell its L-1011s and 37 727-100s. United will take delivery of 34 737-300s this year and has firm orders for 76 more. The airline will also begin taking delivery next year on 15 747-400s.

A 737-300 painted to resemble Shamu, the killer whale that is a star of Sea World of Texas, is now a member of Southwest's fleet. The aircraft, which after being introduced in May was taken on a six-day promotional tour of 27 cities, will carry the black and white design for the next year. Southwest is the official airline of Sea World of Texas.

American has restructured its AAdvantage frequent flyer program, making it more difficult to earn unrestricted free travel and limiting the carrier's award liability. The new structure includes PlanAAhead awards, those allowing free travel at 20,000 miles, and AAnytime awards, which become available at 40,000 miles. The changes in the program are similar to those already made by United.

Eastern will suspend service from Washington Dulles and from Evansville, IN, at the end of this month.

An estimated 8,000 to 9,000 pilots will be hired this year, according to Future Aviation Professionals of America (FAPA). Major airlines will dominate the hirings with approximately 3,000 pilot openings. National and turbojet airlines are expected to hire approximately 2,500 pilots. Pilot demand for regional airlines is expected to reach as high as 3,500. During last year, Continental led the industry in pilot hiring with over 1,100 new hires. American was second with 800. In addition during 1987, over 12,500 flight attendants and 6,100 airline maintenance technicians were hired.

In a deal worth approximately \$700 million in firm orders to GE Aircraft Engines and CFM International, with options worth an additional \$300 million if exercised, International Lease Finance Corporation (ILFC) of Beverly Hills, CA, has selected these two companies to provide the majority of the engines for its recent order of new aircraft.



Marlin 5th in NASCAR points

As the summer gets hotter, Sterling Marlin continues to put the heat on other leaders of the 1988 Winston Cup season.

With 12 races completed, Marlin is in fifth place in the standings with 1,677 points. He is only nine points out of fourth place and just 113 points from first place.

The Piedmont Number 44 Oldsmobile ran well at both the Budweiser 500 in Dover, DE, and the road course in Riverside, CA. In Dover, Marlin finished in 11th place and, at Riverside, he took the checkered flag in ninth place for another top-10 finish. In May, Marlin finished in first place to win \$30,000 at the Winston Open, an 100-lap exhibition event held at the Charlotte Motor Speedway.

So far, strong showings on superspeedways, short tracks and the road course have earned Piedmont's race team \$267,475. Only seven other teams on the Winston Cup circuit have earned more money this year.

The Winston Cup series moves on to Daytona Beach, FL, on July 2 for the Pepsi Firecracker 400 which will be covered by ABC on delayed broadcast. The Summer 500 at Pocono will be held July 24. The Talladega 500 in Alabama will be covered by CBS live on July 31, and the Budweiser at the Glen in Watkins Glen, NY, which will be broadcast live on ESPN, will be held August 14.

Passenger record set in May

Piedmont Airlines boarded 2,385,939 passengers during the month of May, an increase of 8.3 percent over the 2,202,767 passengers boarded during the same month of 1987 and more passengers than any prior month in company history.

Piedmont flew those passengers 1,124,304,475 revenue passenger miles (RPMs), an increase of 17.3 percent over the 958,509,247 flown during the same period in 1987. The RPMs also represent a company record for any prior month. In addition, May's capacity of 1,856,356,943 available seat miles, also represents an all-time record for the carrier, with an increase of 20.4 percent over the 1,541,418,295 available in May 1987. Passenger load factor for the month was 60.57 percent, a 1.61 point drop from last year's 62.18 percent.

Dan Brock, senior vice president-marketing, said that Piedmont's expanded capacity and new services added early in May helped stimulate the carrier's monthly results.

"The start-up of new Boeing 767 widebody flights to Los Angeles, Boston and Orlando from our hub at Baltimore/Washington International Airport, plus the introduction of a 'Spring Sale' on Maxsaver fares that took effect later in May, contributed to the record success achieved during the month in passenger boardings, RPMs and ASMs," Brock said.

For the five months ended May 31, Piedmont flew 10,977,934 passengers, an increase of 7.2 percent over the 10,239,100 flown during the same period in 1987. Piedmont had 5.18 billion RPMs, an increase of 14.4 percent over the 4.53 billion recorded last year. Capacity grew to 8.82 billion ASMs, an increase of 17.5 percent over the 7.51 billion offered during the same period of 1987. Load factor for the first five months was 58.69 percent, down 1.61 points from a load factor of 60.30 percent Piedmont recorded last year.



traffic

	May		First Five Months	
passengers	2,385,939	+ 8.3%	10,977,934	+ 7.2%
revenue passenger miles	1.1 billion	+17.3%	5.2 billion	+14.4%
available seat miles	1.9 billion	+20.4%	8.8 billion	+17.5%
load factor	60.57%	- 1.61 pts.	58.69%	- 1.61 pts.

*All-time record for passengers, RPMs, and ASMs for the month of May.

*Our seven reservations centers answered 3,058,619 calls in May 1988. In addition, our reservations agents created 77,062 new PNRs on May 30, an all-time company record for any one given day.

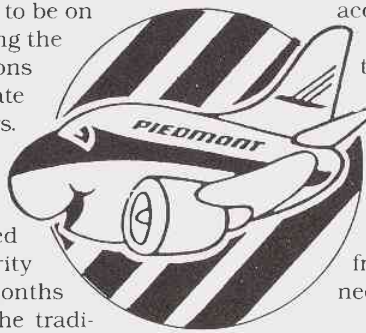
*The following 12 stations set record enplanements for May: BWI, CLT, EVV, IND, ISP, LAX, SDF, YUL, MYR, YOW, PVD, and RIC.

Piedmont to board 230,000 unaccompanied minors in 1988

It's that time again—unaccompanied minor season—when the skies are filled with little folks bound for all sorts of destinations on summer vacation.

And so, it is also time for all Piedmont employees, particularly station personnel and flight attendants who deal most directly with these special passengers, to be on the lookout for children donning the bright red, white and blue buttons (see illustration) that designate them as unaccompanied minors.

Trula Scott, director-in-flight services, said that we anticipate boarding more than 230,000 unaccompanied minors this year, the vast majority of whom will fly during the months of June, July and August—the traditional summer recess.



"Having been a flight attendant for many years, and realizing how difficult it can be keeping up with these little folks, a good rule of thumb is to treat unaccompanied minors as if they were your own children or brothers and sisters," Scott said.

Last year, Piedmont carried 135,525 unaccompanied minors during the summer-break period out of a total 212,293 for the year. Numbers like that reflect a tremendous responsibility on the part of all those involved, and with the increased traffic this year, it becomes even more important for us to be friendly, helpful and alert to the needs of children traveling alone.



system performance

We achieved our departure and arrival goals once again arriving 77% and departing 84% on-time. That makes four consecutive months we have equalled or surpassed our departure goal. The arrival goal, which is a little more elusive than the departure goal, was fulfilled for the second time of the year (March and May).

Several days of thunderstorms, air traffic control and equipment delays impacted flight operations which prevented us from maintaining optimum performance. Despite all the delay factors which historically drag down our performance in May, we proved that we could pick-up the pieces and preserve our standard of service and on-time performance.

