



A new, interim livery appears on the 737-300 pictured above which rolled out of the INT maintenance facility's appearance shop in late September. The fuselage is polished aluminum instead of white, but the below-window-level stripe is the three shades of red utilized in USAir's current livery. The speedbird logo on the tail was changed from blue to burgundy, and the Piedmont name on the vertical tail surface from red to white which subsequently has been changed to burgundy to be more legible.

NASCAR fate explained

Upon completion of the NASCAR Winston Cup Series this November, Piedmont Airlines will discontinue its sponsorship of Car 44 and the Sterling Marlin race team. Following the announcement by USAir not to renew the agreement, a number of Piedmont and USAir employees questioned the company's decision and urged USAir to reconsider. The *Piedmonitor* recently visited Randall Malin, USAir's executive vice president-marketing, and asked him to share with us some of the rationale for the decision.

Q. Why does it appear that USAir is opposed to stock car racing?

A. USAir is not at all opposed to the sport of stock car racing. We are fully aware of the very large number of people who attend the NASCAR races in person or watch them on television. We have three concerns with this sponsorship: the dollar investment required; the inflexibility of the investment; and the question of retail versus corporate/image advertising.

Q. How does USAir decide what is a good investment for its promotional dollars?

A. USAir establishes its sales and promotional budget based upon a certain percentage of projected revenues. The possible uses for these funds far exceed the availability of monies. In our opinion, the level of investment required to support Car 44 is very high relative to the total funds that we have available to use for promotional activities.

Q. What exactly do you mean by "inflexibility of investment?"

A. The decision to sponsor Car 44 has to be made up front and, once made, the funds are committed regardless of what may subsequently happen in the air transport marketplace. In the highly competitive and ever-changing world of airline marketing, we are very reluctant to give up the high degree of flexibility that we feel we need to reallocate promotional funds from one priority to another.

Q. Does USAir place a greater emphasis on retail advertising than corporate advertising and sponsorships such as the NASCAR program?

A. USAir has traditionally allocated the bulk of its advertising dollars to retail advertising—that is, advertising which supports specific price and schedule offerings designed to "make the phones ring." The NASCAR sponsorship falls under the category of image or corporate advertising, as it is designed to promote the corporate name and create a favorable impression about the company. Our job is to use the limited promotional dollars that we have available to us in the most effective way we know in order to achieve the corporate revenue objectives.

Q. Piedmont and USAir are scheduled to merge in early 1989. Shouldn't corporate advertising and the image of the new, combined company play a larger role now than ever before?

A. As we approach the merger of Piedmont and USAir, we believe that our requirement to promote the creation of the "new USAir" name in Piedmont cities requires allocation of our image advertising dollars to endeavors that reach an even broader audience than fans of NASCAR racing provide. We feel sponsorship of more individually tailored community events, such as the recent presidential debate at Wake Forest University and the efforts of the local Chambers of Commerce, is a more effective means of showing our community spirit and involvement to develop corporate image.

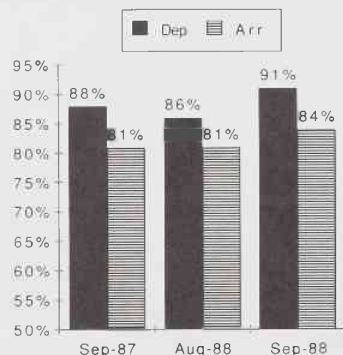
Q. Will USAir again reconsider its position on a continuation of the NASCAR team sponsorship?

A. We have reviewed video tapes of NASCAR events in which Car 44 has participated, considered the benefits for exposure of our corporate name, studied the demographics involved, and then weighed these factors, and more, against the cost of the sponsorship investment. Our decision to discontinue the sponsorship is final.

system performance

September is over and we were 2 points below our departure goal and 6 points below our arrival goal! Sound bad? Not really! Our departure goal was an optimistic 93% and the arrival goal was set at 90%. Since the actual performance was departure 91% and arrival 84% that equals the best month of the year and both figures are higher than a year ago. Even though we fell below goal we still showed improvement over previous months.

With the holiday season approaching we must be set for some tough times as performance usually drops during the next few months. Therefore goals are set to reflect a decrease in performance during these critical months. All that we ask during this time is for everyone to remain focused on our performance goals because our passengers don't want to be late for Thanksgiving dinner.



around Piedmont

On November 1, the Piedmont fleet will total 195 aircraft which reflects the delivery of two new additional 737-400s during the month of October. The company currently operates 62 737-200s, 42 737-300s, six 737-400s, six 767-200s, 34 Boeing 727-200s, 20 Fokker F28-1000s, and 25 F28-4000s.

USAir has a total of 225 aircraft including 55 737-300s, 23 737-200s, 10 727-200s, 74 DC-9s, 11 BAC 1-11s, 31 MD-80s, and 21 BAe-146s.

Piedmont serves 95 airports/122 cities in 29 states plus the District of Columbia, Ottawa, Montreal, London, and Nassau. USAir serves 105 airports in 36 states plus the District of Columbia, Ottawa, Montreal, and Toronto.

The Federal Aviation Administration has announced it will require the installation of wind shear warning alert systems on approximately 3,600 jet transports with 30 or more seats currently in use and those to be manufactured in the future.

The rule includes a four-year phasing-in period. Half of each airline's fleet would have to be outfitted with the equipment within 27 months, 75 percent within 39 months, and all aircraft within 51 months of the rule's publication.

Two years ago Piedmont voluntarily began installing wind shear equipment, and at the time of the announcement in September, well over 50 percent of the Piedmont fleet—112 out of 191—had already been outfitted with the devices including all of our 737s and 767s.

Wind shear, a sudden change in wind direction or speed, can cause an aircraft to stall or lose altitude and is a special hazard when an aircraft is low and has little room to recover.

According to the Department of Transportation, the nation's 13 leading airlines reported that 83 percent of their flights arrived on time in August, the fifth straight month in which on-time performance (OTP) was at least 80 percent and their second best performance on record.

American West Airlines and Southwest Airlines led the way with on-time percentages of 91.5 percent and 90.5 percent, respectively. The OTP percentages for the other major airlines are as follows: Delta, 86.9; Continental, 86.8; American, 85.9; Alaska, 83.7; Piedmont, 81.9; United, 81.0; Eastern, 80.8; TWA, 78.6; Northwest, 78.4; USAir, 75.0; and Pan American, 74.3.

Piedmont's restored DC-3 will appear at the Naval Air Show at Alvin Callender Field in New Orleans, LA, November 4-6 and the Embry-Riddle alumni homecoming in Daytona Beach, FL, November 10-12.

Piedmont Airlines was one of 200 exhibitors at the 11th Annual Trade Expo of the Carolinas Minority Supplier Development Councils (CMSDC) in Charlotte, NC, in September. Karen Wise, Piedmont buyer-INT, and Ed Walsh, USAir senior buyer-PIT, attended the booth, answering questions from potential suppliers regarding the carrier's purchasing needs. Piedmont is a corporate member of CMSDC which fosters the development of business relationships between the membership and minority-owned businesses.

John Barth, MIA operations supervisor, and station agents, Rick Villalobos and Tomas Perez, have been busy lately responding to the needs of the employees and families of Air Jamaica and Mexicana airlines and the Jamaican airports who were affected by Hurricane Gilbert in September. The Piedmont MIA station has been a clearinghouse for more than 18,000 pounds of clothing and food items that have been donated by our employees from throughout the Piedmont system. Barth, Villalobos, and Perez have sorted and boxed the items for Air Jamaica and Mexicana to transport to the victims in Jamaica and Cancun.

"The response to the teletype soliciting items was tremendous. Those Piedmont employees who sent items should know that they helped meet the immediate needs of a lot of people who were wiped out by the hurricane," Barth said.

Although the volume of items being received has slacked off, Barth said, items are still coming in and will continue to be accepted. Employees wishing to donate items may send them COMAT to Barth, MIAOO.
